Austria ... Sch 18	Indonesia ... Rp 2500	Portugal ... Esc 75
Bahrain ... Din 0.350	Italy ... L 1100	S. Arabia ... Rs 6.00
Belgium ... BFr 38	Japan ... Y550	Singapore ... S$ 4.10
Canada ... C$2.00	Jordan ... Fils 500	Spain ... Pta 100
Cyprus ... Mils 600	Kuwait ... Fils 500	Sri Lanka ... Rup 30
Denmark ... Dkr 7.75	Lebanon ... LL 6.00	Sweden ... Skr 6.50
Egypt ... LE1.00	Luxembourg ... LFr 38	Switzerland ... Fr 2.00
Finland ... Fmk 5.50	Malaysia ... Rm 4.75	Taiwan ... NT $65
France ... FFr 8.00	Mexico ... Pes. 300	Thailand ... Bht 60
Germany ... DM 2.20	Morocco ... Dh 6.00	Tunisia ... Din 0.650
Greece ... Dr 60	Netherlands ... Fl 2.50	Turkey ... L 180
Hong Kong ... HK$ 12	Norway ... Nkr 6.00	U.A.E. ... Dh 6.50
India ... Rup 15	Philippines ... Pes. 20	U.S.A. ... $1.50

FINANCIAL TIMES

EUROPE'S BUSINESS NEWSPAPER

No. 29,240 — Tuesday February 7 1984 — D 8523 B

Murder heats up Kashmir cauldron, Page 6

NEWS SUMMARY

GENERAL

Iran-Iraq tension mounts sharply

Tension between Iran and Iraq mounted sharply last night.

Following an earlier Iraqi warning that it would attack 11 Iranian cities, mostly in the Khuzistan province, at any time after February 6, Iran's President Ali Khamenei appeared on Tehran television yesterday and said that if Iraq did attack, Iran would bomb the cities of Basra, Khanekine, and Mandali, just inside Iraq.

He said Iran had suffered 4,700 civilian casualties and "we cannot stand it any more."

Iran's revolutionary guard reserves have been told to report to their bases.

Papandreou accuses

Greek Premier Andreas Papandreou, the only western government leader to have formally embraced the peace movement, accused the U.S. of starting the nuclear arms race in Europe by deploying forward-based nuclear weapons systems in Britain after World War II. He was speaking at an international peace conference in Athens. Page 2

Kashmiris questioned

British police said they were questioning Kashmiris throughout the country following the discovery of the body of missing Indian diplomat Ravindra Mhatre. Some passports were confiscated. Kashmir tension, Page 6

Satellite success

Indonesian communications satellite Palapa was launched successfully from U.S. space shuttle Challenger. It is identical to the Westar 6, which failed to go into orbit.

Basques removed

French police removed 40 Spanish Basque exiles from Bayonne cathedral, where they have been on hunger strike for more than two weeks demanding political refugee status.

Nakasone pledges

Japanese Premier Yasuhiro Nakasone, speaking at the reopening of parliament, promised to work for administrative, fiscal and educational reform, and looked forward to a 21st century vision of Japan as the home of a new culture blending the best of East and West. Page 6

U.S. staff expelled

Ethiopia expelled "several" U.S. diplomats from its Addis Ababa embassy. No reason was given.

Unità success claim

Unità, the Angola rebel movement, said it had killed 285 government troops and 17 Cubans in its January attacks, losing 32 dead and 13 missing itself. It also said it had shot down five helicopters, and blown up three trains and nine tanks between January 21 and 30.

MP back in jail

Danish tax reform MP Mogens Glistrup, serving three years' jail for tax fraud, was sent back to jail when parliament ended his immunity, given to fight the election. He had a fortnight's extra freedom because of a recount of postal votes.

Bank chairman held

Kredietbank chairman Edouard Wauters has been arrested and held on charges of falsifying documents of the Royal Antwerp Football Club, of which he is president, to avoid tax.

Kuwait squeeze

Kuwait authorities buried in the desert 29,238 bottles of whisky and 4,445 cans of beer worth about $5m, confiscated from smugglers.

BUSINESS

Creditors make Victor bankrupt

VICTOR TECHNOLOGIES, maker of Sirius personal computers, has been forced into bankruptcy by creditors. UK company Applied Computer Techniques is seeking to negotiate manufacturing rights. Page 14

DOLLAR rose to DM 2.7405 (from Friday's DM 2.737), SwFr 2.21 (SwFr 2.2), and Y233.05 (Y232.75), but eased to FFr 8.4075 (FFr 8.415). Its Bank of England trade-weighted index fell from 130.3 to 130. In New York it closed at DM 2.751; SwFr 2.225; FFr 8.465 and Y233.6. Page 33

STERLING fell 25 points to $1.4255 and to FFr 11.985 (FFr 12.015), was unchanged at DM 3.91 and Y332.5 and improved to SwFr 3.1525 (SwFr 3.145). Its trade weighting was logged at 82.1 (82). In New York it closed at $1.417. Page 33

GOLD fell $2.625 in London to $381.5, by $2.5 in Frankfurt to $381.25, and by $2.25 in Zurich to $381.25. In New York the Comex February settlement price was $381.8 ($386.1). Page 32

LONDON: FT Industrial Ordinary index dropped by 18.9, its largest daily fall for 2½ years, to 815.5. Government securities fell by an average of 0.59 per cent. Report, Page 27, FT share information service, Pages 28, 29

WALL STREET, Dow Jones index closed down 22.72, on 1,174.37. Page 23, Full share prices, Pages 24-26.

ZINC prices, which reached 9½-year highs in London last week, were again down with another £10.50 off the cash zinc figure at £698.50 ($995.71) a tonne. Page 32

HONG KONG: Hang Seng index reached a 17-month high with a 25.58 rise to 1,134.12 Report, Page 23, Leading prices, Page 26

TOKYO: Nikkei Dow index rose 35.89 to 10,121.08, and the Stock Exchange index edged up 0.03 to 773.15. Report, Page 23, Leading prices, other exchanges, Page 26

DUBAI Government and ICI of Britain have inaugurated a joint venture to make high explosives at Jebel Ali.

CZECHOSLOVAKIA had a hard currency surplus of more than $1bn in its 1983 trade with the West, 20 per cent more than in 1982. Page 2

ELF AQUITAINE, the French state oil group, is shutting its West German refinery near Mannheim, which has been operating at only 16 per cent of capacity. Page 14.

LOCKHEED, the U.S. aviation group, reported 1983 net earnings 26.8 per cent up at a record $262.8m after a record fourth quarter.

CABLE AND WIRELESS, the British telecommunications group, announced a full takeover bid for Hongkong Telephone. Page 14

PHILIPS of the Netherlands and Grundig of West Germany have announced terms under which the Dutch group will acquire day-to-day control of Grundig. Page 14

SALZGITTER, the West German steel and industrial group, lost DM 630m ($230m) in the year ended September, following DM 44.8m losses in 1981-82, and plans to shed a third of its 14,000 staff by 1985. Page 15

HANSON TRUST, the UK holding group with major U.S. interests, has won only 2 per cent acceptances for its £212m ($302.2m) offer for London Brick.

ALLIED CORPORATION of the U.S. is writing off $188m against disposal of the machine tool business it inherited by acquiring Bendix in 1982. Page 15

Closing Canada prices and New York indices were unavailable for this edition because of technical difficulties at Associated Press.

Beirut slides closer to full civil war

BY PATRICK COCKBURN IN BEIRUT

A BLANKET curfew was imposed on West Beirut yesterday as the Lebanese army fought to hold its positions against Moslem militias who poured on to the streets. The attack came the day after the Government of Prime Minister Chafik al-Wazzan resigned, leaving President Amin Gemayel with no allies among the leaders of Lebanon's Moslem majority.

It is now felt in Beirut that a full-scale civil war will be very difficult to avoid. Two thirds of the capital last night seemed to be under the control of armed opponents to the Gemayel regime, which will almost certainly collapse completely unless the army can reassert some authority.

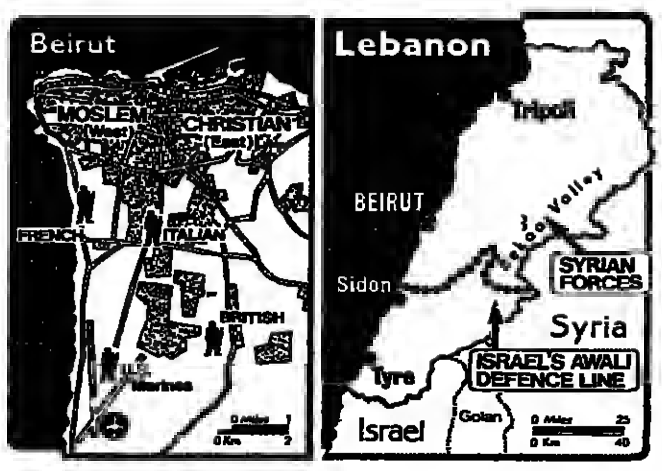
The fighting started suddenly at midday, and people in West Beirut fled through the streets to their houses as machinegun fire resounded through the city. Smoke rose from areas dividing Christian East Beirut from the Moslems of the West. The city was illuminated by exploding shells and rocket fire last night.

Although the airport has again been closed by the fighting, the warring militiamen seemed to have been careful to avoid firing directly on the 1,300 U.S. marines based beside the airport and now hemmed in by Amal forces.

Nevertheless, the ferocity of yesterday's battles again dragged in the marines and other members of the multinational peacekeeping force stationed in the city. Two marines were reported to have been injured at the U.S. embassy and eight Italian soldiers were hurt by rocket-propelled grenade blasts. The French contingent reported fighting around its positions but said it had suffered no casualties.

Diplomats said, however, that President Gemayel was likely to have to fight the present war without direct military support from his U.S. and Israeli allies, although that might change if Syria increases its involvement.

Meanwhile, it is difficult to see any political compromise emerging unless President Gemayel himself departs or accepts opposition and Syrian demands that he unconditionally abrogate the May 17 agreement with Israel, arranged by Mr George Schultz, the U.S. Secretary of State, which is anathema to Moslem and left-wing forces. The agreement in effect allows Israeli forces to remain in the country until all foreign troops are withdrawn, essentially the Syrians.



Mr Nabih Berri, the political leader of the Amal Shia militia, denounced the Gemayel regime yesterday and said: "I will keep fighting because I have nothing to lose." He said he would not deal with Mr Gemayel, whom he accused of introducing hard-line Christian army units into the capital to replace those more sympathetic to the opposition.

The present crisis arose last week when clashes between Amal forces and the army grew into an all-out test of strength. Despite the use of heavy artillery and tank fire, the army has been unable to evict Amal from the key St Michael's Church position which the militiamen recaptured yesterday morning.

This is an ominous indication of the strength of the Moslem militias, who last August took to the streets of West Beirut for three days before melting away in the face of the army's attack. In the intervening months since the Government reimposed its authority, the militias have been rearmed and re-equipped, particularly with numerous anti-tank weapons.

The 400 artillery pieces and multiple rocket launchers controlled by Druze forces and their Syrian allies in the hills above the capital yesterday started to pound Christian areas, according to local radio stations.

Earlier in the morning, Amal militiamen were in control of several kilometres of highway leading to the airport. Men in army uniform could be seen talking to the militiamen, but military dress is so easy to obtain in Lebanon that this does not necessarily imply that they were deserters.

"Many soldiers in this area are staying neutral and treating the fighting as if it was a war in the Falklands," said one local observer. "You can see they have not taken the tarpaulin off the heavy machineguns on their armoured personnel carriers."

It is still unclear how the Moslem units in the army will react to the events of the last three days, including

Continued on Page 14

Gemayel's allies turn against him, Page 6; Editorial comment, Page 12

Reagan 'comes home' to little Dixon

By Reginald Dale in Dixon, Illinois

"ALL OF US have a place we go back to," President Ronald Reagan once said. "Dixon is that place to me." And yesterday, Mr Reagan returned to a euphoric Dixon – the small Illinois town that rejoices in its claim to be his "boyhood home" – for the first time since he has been President.

He went "home" to celebrate his 73rd birthday with parades, marching bands, beauty queens, brief reunions with old friends, a speech at his old high school, and lunch in the kitchen of the modest house he lived in from the age of nine to 13 – newly restored at a cost of $150,000.

Dixon (population 15,700) 100 miles west of Chicago, is not Mr Reagan's birthplace. He was born in nearby Tampico. He has not really lived in Dixon since 1932, when he was 21, and he has no family here any more. The Ronald Reagan memorabilia industry has so far largely failed to take of, although paving stones "from the streets where President Reagan walked" were selling briskly yesterday at $2.99 a piece.

But Dixon is the place where he spent "his formative years," in the apt words of the smart new sign outside his boyhood home – an ordinary, white, weatherboarded, late 19th Century "Queen Anne style" house in a gently sloping, tree-lined residential street.

It is here that he absorbed the values of small-town, mid-western America – the virtues of perseverance, good neighbourliness, and religion – that he has taken with him all the way to the White House. It is here that, as a teenage lifeguard, Ronald Reagan rescued 77 people from the Rock River in seven summers; where he raised rabbits in the backyard to earn some extra dollars to eke out the sparse earnings of his shoe-salesman father. And it is where he took his first steps on stage in the high-school play.

It is here that he was a good, but not exceptional, student; a drum major in the YMCA band; a "tall and willowy athlete" and a football player. The girls, in the words of an old acquaintance, "were always flocking round him."

His family could not afford to buy their rented home. The Reagans were, as it is delicately put here, "perhaps closer to lower class" than middle class.

These are the roots that Mr Reagan wants to remember – and to recall to the rest of America – as he

Continued on Page 14

MONETARY TARGETS HIGHER FOR 1984

Reagan cuts plan inadequate – Fed

BY STEWART FLEMING IN WASHINGTON

THE FEDERAL Reserve Board yesterday released its new monetary growth targets for 1984 and launched a strong attack on the Reagan Administration's fiscal policy. The Fed suggests that the initiative President Ronald Reagan has taken to secure a $100bn budget deficit reduction package over three years is inadequate.

Share prices fell sharply again in early trading yesterday in the wake of the Fed's monetary policy report to Congress and of Friday's report that the central bank came within a whisker of tightening its monetary policy at the December meeting of its Federal Open Market Committee (FOMC).

The document was released before the congressional testimony that Mr Paul Volcker, Fed chairman, will be giving today.

It was as much the tone of the report as the new targets that lead money market economists to see evidence of what Mr David Jones of Aubrey G Langston and Co in New York described as the Fed's determination to "lean against the wind" this year and not readily accommodate the Federal Government's borrowing requirements.

OBJECTIVES FOR MONEY AND CREDIT GROWTH

	New ranges for 1984 (per cent)	Ranges for 1983 (per cent)
M1	4–8	5–9
M2	6–9	7–10
M3	6–9	6½–9½
Domestic non-financial debt	8–11	8½–11½

1984 growth ranges are from 4th quarter to 4th quarter

Thus each of the monetary targets lies below what the central bank says is its forecast for the "central tendency" of the growth of nominal gross national product this year, which it puts at 9 to 10 per cent. Real growth is forecast at 4-4½ per cent and inflation, as measured by the GNP deflator, at 4½ to 5 per cent, figures that broadly fit the Reagan Administration's projections. The Fed's target for domestic non-financial debt has been trimmed to 8-11 per cent from 8½-11½ per cent.

The Fed says its monetary targets for 1984 are "intended to be consistent with the basic policy objective of achieving long-lasting economic expansion in the context of continuing control of inflationary pressures."

It says that the likelihood that there will be no immediate action on budget deficit is a factor which is "dominating the outlook for credit flows in the year ahead." The availability of domestic saving to finance the growing budget deficit and expanding private credit "has remained limited." If present trends continue, the government will con-

Continued on Page 14

Shares fall in Europe, U.S.

BY OUR FOREIGN AND FINANCIAL STAFF

EUROPEAN stock markets fell back yesterday in response to the selling that struck Wall Street late last week. Prices in most leading financial centres turned sharply down in late trading as New York again opened weaker.

The U.S. equity market fell dramatically in early trading when the 30-share Dow Jones industrial average lost almost 17 points in the first half-hour of hectic trading.

At the close, the index was 22.72 lower at 1,174.31.

The London stock market felt the reaction as much as any and the FT Industrial Ordinary index recorded its heaviest one-day fall since September 1981, with a drop of 18.9 to 815.5.

The index of 30 leading industrial shares has very nearly doubled since Mr Joe Glanville gave investors his gloomy view of world stock markets on that "Black Monday" in September 1981, but each index constituent gave ground yesterday as Wall Street's apprehension took its toll.

In Paris, prices fell markedly in what dealers described as modest trading, while Frankfurt reacted to Wall Street and widespread profit-taking on leading shares. Despite strong speculative buying of AEG, the Commerzbank Index of 60 leading shares was down to 1,078.5 by midday against the close last Friday of 1,094.5.

The All-Share Index in Amsterdam fell to 168.2 from 174.8 while the Belgian All-Share Index lost almost seven points to 350.32.

Conditions in the Pacific Basin were very much more buoyant. In Tokyo, the Nikkei Dow Jones closed 35.89 better at 10,121.08 and Hong Kong climbed to a 17-month high as the Hang Seng Index added 25.58 to 1,134.12.

Wall Street's renewed decline appeared to have been mainly provoked by indications that the Federal Reserve Board was making no moves that would lead to the reduction of interest rates which the markets had been anticipating.

According to dealers, who were swamped by the heavy volume of trading, selling was widely spread by all market participants, including a strong contingent of foreign investors who were becoming increasingly edgy about holding dollar-denominated securities.

Stock markets, Section III

CAP near collapse, Dalsager warns

BY IVO DAWNAY IN BRUSSELS

EEC FARM Ministers resumed talks on the European Commission's agricultural prices and reforms package yesterday amid fresh warnings that the pace of the Common Agricultural Policy's decline into bankruptcy is accelerating.

Mr Poul Dalsager, Agriculture Commissioner, warned that latest reports showed production continuing to rise while consumption was falling. Some ministers seemed unable to recognise that the collapse of the CAP was now imminent, he said.

According to the Commission, at present rates of expenditure the CAP's Ecu 18.5bn ($13.5bn) budget could well be totally exhausted by October.

Despite attempts by the Commission to inject new urgency into the talks, the Farm Ministers appeared as divided as ever over how to tackle the crisis.

First reports from the meeting made clear that the West Germans had restated their total opposition to proposals to cut by half the levels of monetary compensatory amounts (MCA s) – the cross-border taxes and subsidies on agricultural products which level out currency fluctuations.

The UK and Dutch ministers, whose farmers would suffer a real reduction in incomes if the proposal went ahead are also opposing the plan.

For the French, however, the reduction of MCAs is the one principal element of the Commission's package which is palatable.

France, with some Irish support, is opposing proposals for a freeze on dairy and beef prices which, it claims, would cut the earnings of domestic producers.

This position is diametrically contrary to that of West Germany, which believes a freeze for all products, including those where marginal rises are on offer, would be a fairer solution.

The most optimistic interpretation of the state of negotiations came from a French official last night who pointed out that so far no minister had adopted a position that would render further talks impossible.

French farmers block ports

By Paul Betts in Paris

ANGRY FRENCH farmers launched a new wave of protests against British beef imports to France yesterday by organising a blockade at French Channel ports of all lorries carrying meat into the country.

However, despite the impressive number of farmers who turned up at some key Channel ports, the protest misfired because most British meat exporters had suspended shipments to avoid the so-called "beef blockade."

Farmers, mainly from the Normandy region, forced lorries at the main ports to have their shipments checked. The farmers had said they would only block meat imports but would let other cargoes through.

The biggest gathering of farmers was at Le Havre, where they also distributed pamphlets to British tourists arriving in France setting out their case against what they regard as unfair and uncompetitive British meat exports to France.

Cheap imports of foreign meat

Continued on Page 14

CONTENTS

Europe	2
– Companies	15
Overseas	3
– Companies	16
World Trade	5
Britain	8, 9
– Companies	17–19
Agriculture	32
Appointments	11, 34
Appointments advertising	11, 21, 22
Arts – Reviews	10
– World Guide	10
Commodities	32
Crossword	30
Currencies	33
Editorial comment	12
Eurobonds	25
Euro-options	26
Financial Futures	33
Gold	32
Int. Capital Markets	34
Letters	13
Lex	14
Management	20
Market Monitors	23
Men and Matters	12
Mining	17
Money Markets	33
Raw materials	32
Stock markets – Bourses	23, 26
– Wall Street	23–26
– London	23, 27–29
Technology	4
Unit Trusts	30, 31
Weather	14

UK asset sales: a £10bn balancing act 12
Ireland: the hardest test for the new forum 13
El Salvador: death squads: dilemma for U.S. 3
Technology: France and UK agree on nuclear plan 4
Canada: easing curbs on foreign investment 5
Lebanon: Gemayel's allies turn against him 6
French champagne: Moët pours profits into U.S. 15
Management: breaking away from a family company 20
Editorial comment: Lebanon; investment in UK 12
Lex: Cable & Wireless; Philips; Weeks Pet; markets 14

W. German banking law amendments criticised

By Jonathan Carr in Frankfurt

WEST GERMAN banks have sharply criticised key proposed amendments in the country's banking law, due to come before the Cabinet tomorrow for discussion and possible decision.

Changes in the law have been talked about for years, but they have been the subject of special argument since the near-collapse in November of Schroeder, Münchmeyer, Hengst (SMH), a private bank.

In a statement issued yesterday, the Federal Association of German Banks (BDB) stressed that the SMH case was isolated and should not be a cause of far-reaching legal changes.

In particular, the association criticised a proposed amendment which would allow banks to lend only up to 50 per cent of their capital to a single customer, instead of the current level of up to 75 per cent.

This change has emerged at least partly because SMH seriously over-extended its lending to a single, deeply troubled customer. A successful rescue was mounted by other banks, and much of SMH's business has since been taken over, under the same name, by Lloyds Bank of the UK.

The association argued that the new proposal would mean special problems for small and medium-sized credit institutions, and hence disadvantages for the medium-sized enterprises who are among their main customers.

The banks again underlined that they are ready for more far-reaching consolidation in their accounts of the results of their subsidiaries, including those abroad. But they differ from the Finance Ministry in detail on how this should be done.

They are opposed to an amendment stipulating that the results of subsidiaries owned at least 40 per cent by the parent institute must be consolidated. The association says the parent must have a majority share before consolidating.

It is also against drawing the mortgage bank subsidiaries of the commercial banks into the consolidation process, saying the mortgage business is subject to less risk than many other forms of bank lending.

Herr Joachim Hiehle, State Secretary at the West German Defence Ministry, has resigned over his role in the Kiessling affair, Reuter reports from Bonn. It was he who presented the Defence Minister with intelligence reports alleging that Gen Guenter Kiessling, Nato's Deputy Supreme Commander, was seen in homosexual bars.

Brussels raises growth forecast

BY JOHN WYLES IN BRUSSELS

EEC FINANCE ministers learned with some satisfaction yesterday that the Community's gentle economic recovery has enough steam behind it to prompt revision of earlier growth forecasts.

M Francois-Xavier Ortoli, the Commissioner for Economic Affairs, said that, although the recovery continued to be uneven, advances in both the British and West German economies justified an increase in last November's forecast from 1.5 per cent to a 2 per cent growth rate for the EEC this year.

The Commission's study of investment plans pointed to a 10 per cent rise in industrial investment this year, compared to 3 per cent in 1983. Optimism was being fuelled by hopes of a rise in the volume of EEC exports from 3 per cent last year to 5.7 per cent this, he said.

Subsequent ministerial discussion reflected the familiar European concerns about the levels of real interest rates in the U.S. and the size of prospective U.S. Government deficits for the rest of this decade.

However, Mr Onno Ruding, the Dutch Finance Minister, also emphasised the advantage that a strong dollar was giving EEC exports. He also claimed that it was encouraging inward investment in the EEC and helping to stabilise the European monetary system (EMS).

On this last point, there is anxiety in several capitals that a decline in the dollar accompanied by a strengthening of the D-mark could force an EMS realignment.

M Jacques Delors, the French Finance Minister, stressed the priorities which he wanted pursued during the remaining five months that France holds the presidency of the Council of Ministers.

Apart from regular examinations of the economic situation, he wanted ministers to prepare carefully for a succession of international meetings scheduled between now and the summer and also to make progress on policies to strengthen the EEC's internal market and to remove legal obstacles to effective mergers and co-operation between Community companies.

Jopling defends UK stand on positive MCAs

By Our Brussels Correspondent

MR MICHAEL JOPLING, the British Agriculture Minister, was unrepentant yesterday about the UK Government's retention of food import taxes in order to protect the prices guaranteed to British farmers.

Britain's reluctance to abandon the so-called positive monetary compensatory amounts (MCAs), which both tax farm imports into the UK and subsidise farm exports, was attacked in a speech in London yesterday by Mr Christopher Tugendhat, a former Conservative MP who is one of the UK's two members of the European Commission.

Mr Tugendhat claimed that application of positive MCAs over the past four years meant that "prices paid by processors, and ultimately by consumers, have been higher, generally by 5 per cent and often by much more, than the Community level."

He went on to imply that the Government had been far more concerned to satisfy farmers than consumers.

The Commission has proposed a 50 per cent reduction in the British MCA as part of its farm price package. The effect would be to reduce prices paid to British farmers by 3.1 per cent.

Mr Jopling made it clear yesterday that while he was not opposed in principle to abandoning the MCA, it must be part of a package which imposed equal sacrifices on all farmers.

Industrial production rises 1.8%

BY PAUL CHEESERIGHT IN BRUSSELS

THE RYTHM of industrial production is quickening everywhere in the EEC, except in the Netherlands, offering tentative evidence that the economies of the Ten are beginning to emerge from the recession, although not at the speed of the U.S. and Japan.

The Community's index of industrial production, published yesterday, shows a rise of 1.8 per cent in the three months to November over the preceding three months. And the index for November alone was 4.1 per cent higher than that for November, 1982.

But once the available figures for 1983 are averaged out by the EEC's statistical experts they show no rise in industiral production for the whole year compared with 1982. This contrasts with 6.5 per cent for the U.S. and 3.5 per cent for Japan.

The recovery is uneven. The Community's indicator of trends, comparing the latest three months with the preceding three months, shows that the strongest performances came in Luxembourg with a 7.6 per cent rise and in West Germany with a 2.3 per cent rise.

At the other end of the scale, the Netherlands registered a fall of 0.1 per cent. The trend in Italy showed a rise of 1.8 per cent, after a fall during the first half, while that of the UK was 1.9 per cent higer. The trend in France was 0.7 per cent higher.

Czech hard currency surplus up by 20%

By Leslie Colitt in Prague

CZECHOSLOVAKIA had a hard currency surplus of $1bn (£704m) last year in trade with the West—20 per cent more than in 1982—allowing the country to "further reduce" its debts to western banks which are already the lowest per capita of Comecon countries. The improvement was achieved by a reduction of imports and a mild improvement in exports.

Mr Jaroslav Kroh, chief manager of the state bank, said the trade surplus enabled Czechoslovakia to service its debt, cover a deficit in transport costs and increase its hard currency assets held by Western banks. The results compared with a small trade surplus in 1981 and a deficit in 1980.

Mr Kroh said Czechoslovakia may want a general purpose loan this year of the same order as the $50m received last year from a consortium led by Deutsche Bank. He noted that although such lines of credit for investment projects may be expanded, Prague has no need of loans to cover a balance of payments deficit.

This year he said Czechoslovakia may increase imports of western machinery because of the rise in hard currency earnings, but he noted that, if necessary, the imports could be financed without western credits.

Reacting to a widely held western view in the past that Czechoslovakia is highly conservative in its borrowing, Mr Kroh said he does not believe a good borrower is one that "needs a syndicated loan" but instead that it only borrows "what it needs."

Mr Jan Vinter, a senior official of the Czechoslovak Commercial Bank, which finances foreign trade, said Prague has an open mind about reasonable offers for "all types of credits." He criticised the spread offered Czechoslovakia by western banks—1¼ per cent over Libor—which he felt did not correspond to the performance of the Czechoslovak economy.

"We are fulfilling all obligations and there is again economic growth" he noted. The economy grew by a nominal 2.2 per cent last year.

Although Prague's goal was to continue to reduce the net hard currency debt, he said, future borrowing was not excluded.

"Sometimes it is better to take credits than to wait too long," he noted. Western economists sometimes criticise Czechoslovak economic planners for waiting too long to invest in sectors of industry which are now regarded as obsolescent.

France expected to go ahead with direct satellite TV

BY DAVID MARSH IN PARIS

THE FRENCH Government, after several months of agonising over plans for direct satellite television broadcasting, is now expected to give the go-ahead in March or April for the launch of Europe's first operational service in collaboration with Luxembourg and West Germany according to officials in Paris.

The final decision has still not been taken. Definite approval will depend on a series of complicated discussions led by France's Communications Ministry with the two European partners and with the Ministry of Finance over the budgetary impact of the scheme.

The French put forward a plan at the end of the 1970s for direct TV broadcasting from space, but have been wavering recently because of the cost and the rivalry from cable TV networks on the ground.

A working group was set up at the end of last year under M Georges Fillioud, the Communications Minister, to decide whether the project needed to be modified.

Now, however, influential ministries are urging that a decision must be taken soon to order a second TV satellite—TDF-2—to complement the first satellite, TDF-1, which is half-finished and which is due to be launched at end-1985. The second satellite, in addition to a third, spare, spacecraft on the ground, is needed for a direct TV service to become fully operational, probably during 1987.

The recent launching of Japan's first direct TV satellite has had a key impact on ministerial thinking. The French Government believes that if Tokyo is given too clear a lead in the satellite TV race, Japanese companies could sweep Europe with competitive sales of domestic reception antennae in the same way that they have dominated international markets in other areas of consumer electronics.

Among the novel features being discussed by officials for the satellite TV service are:

- A joint Franco-Luxembourg commercial programme in German which could be beamed over large areas of West Germany. This would supplement the revenues obtained from a Franco-Luxembourg programme in French. France is likely to seek commercial guarantees from the Compagnie Luxembourgeoise de Telediffusion to cement the attractiveness of the service as an economic proposition.

The Bonn Government is believed to have agreed to the principle of a service being beamed over Germany. M Christian Schwarz-Schilling, the German Posts and Telecommunications Minister, may visit Paris shortly for fresh talks.

- A stake in the financing of the service by French banks. To defray the budgeted cost of the TV project—FFr 2.5bn (£375m) for the initial three-satellite phase and a total FFr 4.5bn up to the year 2000—officials would like to conclude a leasing deal or some other financial arrangement with the banks.

West Germans focus on 35-hour week

BY RUPERT CORNWELL IN BONN

WEST GERMANY's opposition Social Democrats have brought the battle over the 35-hour week squarely into the political arena, with a full-hearted endorsement of the demands of the country's unions for a shorter working week.

Any lingering doubts about the SPD's commitment were banished by Herr Willy Brandt, party chairman, at the weekend launch of its campaign for a cut in working hours.

Herr Brandt told a meeting of 200 party agents that a shorter working week, and no cut in pay, was in the interests of the country as the only effective means of reducing the figure of 2.5m unemployed.

History would show, he said, "that those who believe that the working week can be kept at 40 hours are on the wrong side".

He poured scorn on Chancellor Helmut Kohl for describing the demand for a reduction in hours as "stupid and foolish". Herr Brandt also dismissed the present scheme of the centre-right coalition that would offer workers the chance of early retirement at 59.

In recent days, government ministers have redoubled their warnings that a 35-hour week at unchanged rates of pay is a luxury that risks driving West German industry out of business.

But the SPD chairman argued that "the current form of shorter working hours – that is, mass unemployment," was costing the state DM 55bn ($20bn) a year, money which otherwise could be spent in areas where it was urgently needed, such as high technology, structural adjustment and environment protection.

Regan galls French over OECD meeting

BY DAVID HOUSEGO IN PARIS

A SPECIAL ministerial meeting of the Organisation for Economic Co-operation and Development (OECD) called to discuss issues of longer term economic growth has been robbed of much of its importance by the decision of Mr Donald Regan, U.S. Treasury Secretary, not to attend.

Mr Regan informed the OECD secretariat over the weekend that because of the budget debate in the U.S. he would not be able to attend the conference, to be held in Paris on Monday and Tuesday next week.

Mr Regan will, however, be flying to Paris for Sunday's meeting of the Group of Five finance ministers – the informal gathering of key ministers from the largest industrialised nations that now acts as a sort of steering group for the world economy. Of the finance ministers attending it, only M Jacques Delors, French Finance Minister, will take part in the OECD meeting.

The special OECD conference is seen as one of the milestones leading up to the London economic summit in June. It was proposed last year by M Delors, who suggested a special conference to discuss the problems of structural and cyclical budget deficits. The U.S. sought instead a conference on trade and finance issues that would be confined to the Group of Ten major economies.

The decision of Mr Regan not to attend is all the more galling to the French and the OECD in that he was to have chaired the opening session on Monday morning to discuss public sector deficits. Along with M Delors and other ministers he was also to have taken part in a closing press conference on Tuesday.

IMF chief lauds progress on tackling debt problem

BY DAVID HOUSEGO IN PARIS

REMARKABLE PROGRESS has been achieved in overcoming the problems of external deficits and increased indebtedness that arose after the first oil shock, M Jacques de Larosiere, the managing director of the IMF, said yesterday.

He warned, however, that continuing successful adjustment by developing countries depended on the main industrialised countries achieving sustainable non-inflationary growth. He said that the Fund's estimate was that a satisfactory resolution of the debt problem would depend on industrial countries maintaining an average annual 3 per cent real growth rate over the medium term.

In a speech in Brussels, M de Larosiere said that continuing successful adjustment also depended on more dynamic long-term aid flows for the poorest nations and on avoiding protectionism. "Debtor countries can only service their debts if they have access to overseas markets for their exports," he told the Centre d'Etudes Financieres in Brussels.

Among the remarkable adjustment efforts already achieved he cited the contraction in the combined current account deficit of the non-oil developing countries from "an unsustainable peak" of $110bn (£77.5bn) in 1981 to $67bn last year.

At the same time, he said, commercial bank lending to non-oil developing countries last year was likely to be in line with the £15bn-£20bn target of net new exposure in 1983.

This would represent a 7 per cent increase on 1982 and a "necessary" slowing down in the unsustainable rate of annual increases of 20 per cent prior to that.

M de Larosiere said that there had also been a substantial improvement in the maturity structure of developing countries' external debt. The bulk of the $20bn decline in 1983 in their short term external debt had been due to consolidation into medium term credits. The debt service ratio of the non-oil developing countries had fallen from 23.5 per cent in 1982 to 19 per cent in 1983.

"Recent experience shows that the institutional arrangements are in place (for debt-restructuring) and can be used when it becomes necessary," he said.

Industry sees orders increase by 4%

By James Buchan in Bonn

ORDERS BOOKED by West German industry rose by 4 per cent in the last quarter of 1983 compared to the preceding three months, although December demand was slightly below November's.

The Economics Ministry said yesterday that preliminary order figures for December, adjusted for inflation and the season, were down 1 per cent after a steady climb since the summer. However, orders booked in the last quarter were more than 4 per cent above the previous three months and a full 6 per cent above the last quarter of 1982.

The chief push came from foreign demand, up 5.5 per cent over the July-September period, confirming the belief that exports have taken up the running from domestic demand in leading the West German recovery.

U.S. blamed for N-weapons race

BY ANDRIANA IERODIACONOU IN ATHENS

THE GREEK Prime Minister, Mr Andreas Papandreou, yesterday accused the U.S. of starting the nuclear arms race in Europe by deploying forward-based nuclear weapons systems in Britain after the Second World War.

"The Americans were the first to cover Europe with a long-range nuclear weapons system," he said in a speech to launch a conference of peace groups from Western and East bloc countries.

"The Soviet Union deployed SS missiles in 1959 and 1961 which were undoubtedly aimed at Western Europe, but we must not forget that the U.S. had already despatched 32 B-59 aircraft to Britain with a 2,500 km range," he said.

The conference is attended by delegates from Bulgaria, Hungary, Romania, Czechoslovakia, East Germany, Yugoslavia, Finland, Poland and the Soviet Union. Western delegations come from Britain, the U.S., West Germany, Italy, France and Scandinavia.

Western delegates said that contact with East bloc officials at the three-day conference suggest that Moscow's allies are questioning its current nuclear missile deployment in reply to Nato's new Pershing 2 and cruise weapons.

"They are not spelling it out. But there is a definite sense that they are becoming split into hawks and doves. There is clearly a lot of internal questioning going on, particularly among the East Germans, the Czechs and the Bulgarians," said Mr Edward Tompson, a delegate from European Nuclear Disarmament.

Moscow curbs information flow to West

By Anthony Robinson

THE SOVIET UNION has imposed harsher restrictions on the flow of economic and other information by passing a law imposing jail sentences of up to eight years on Soviet citizens who hand economic, scientific or other secret information to western organisations.

The law, published in the official government bulletin, calls for sentences of up to three years in jail or two years' hard labour for minor infractions and up to eight years if the crime caused serious damage to the state or society.

The action follows several years of increasing reticence as a growing list of basic statistical data like oil and gas exports, truck production and even the grain harvest has been dropped from official statistics.

This partly reflects embarrassment at the wide gap which has emerged between official targets and actual production as the economy has slowed down. But the latest move also appears to be an attempt to mirror the growing western restrictions on the flow of high technology and scientific information to the Soviet bloc.

EIB loan for Yugoslavia

By Aleksandar Lebl in Belgrade

THE European Investment Bank (EIB) has approved a loan of Ecu 67m (£38m) to modernise the Yugoslav railways which link Greece with other EEC member states. It has also opened negotiations for a financial protocol with Yugoslavia to replace the agreement which expires in mid-1985.

The interest in Yugoslavia of the lending arm of the European Community has increased with the accession of Greece to the EEC. But Yugoslavia has hitherto borrowed less money for road, rail and electric power infrastructure improvements than the EIB has offered, partly because of disputes between its eight republics and provinces.

Last December the European Parliament recommended that EIB loans to Yugoslavia should bear a 1.2 percentage point interest rate subsidy.

Hopes rise for chemical arms ban

GENEVA. — The 40-nation Conference on Disarmament begins another session of talks today. After years of negotiation there is at last a spark of hope that it might produce its first convention, a ban on chemical weapons.

The Conference, which includes the five nuclear powers—U.S., the Soviet Union, Britain, France and China — is the world's principal multilateral arms negotiating forum.

It has been meeting since 1978 and until this year was called the Committee on Disarmament.

The talks will be watched closely because of the frigid atmosphere between the superpowers following the breakdown of talks in Geneva on limiting nuclear missiles. Washington and Moscow are thought to want some kind of disarmament breakthrough for public relations purposes.

The agenda includes talks on preventing nuclear war, a test ban treaty, a ban on radiological weapons and on prevention of a space arms race. There are sticking points in all these areas but after a decade of United Nations debate on outlawing chemical weapons, one corner of the veil of pessimism around this subject appears to be lifting. Reuter.

Portuguese sign Alaska fishing accord with U.S.

BY OUR LISBON CORRESPONDENT

PORTUGAL and the U.S. signed agreement here yesterday that will allow Portuguese fishermen to bring back up to 10,000 tonnes of cod this year from the 200-mile zone off Alaska. This will be a new venture for the Portuguese who have lost many of their traditional fishing grounds in the North Atlantic.

Meanwhile, Portugal and Spain have broken off their latest round of talks on fishing rights. These are a key point of contention in efforts to establish more balanced trade which currently stand at about 3 to 1 in favour of Spain.

A Portuguese government spokesman said Spanish negotiators had refused to accept a proposal for fishing quotas in the 200-mile zone and had returned to Madrid to prepare a counter proposal.

The two countries suspended mutual fishing rights in December, 1982, following a push by Portugal to gain reciprocal benefits for Spain's historic rights to fish inside Portugal's 12-mile limit.

Swiss expect further growth

By John Wicks in Zurich

THE SWISS economy should recover further this year, according to a government study group. No marked upswing is likely, but a return to growth in real terms is forecast.

Gross national product is expected to rise after adjustment for inflation by some 1.5 per cent. This would follow a drop of 1.5 per cent in 1982 and an estimated 0.5 per cent fall last year.

Domestic demand is unlikely to change much, so growth will depend largely on a rise in export demand. Swiss exports are seen increasing this year by 3 per cent in real terms. However, imports are expected to expand by something like 3.5 per cent.

This will mean a further widening of the trade gap, which last year reached SwFr7.34bn (£2.32bn).

FINANCIAL TIMES, USPS No 190640, published daily except Sundays and holidays. U.S. subscription rates $420.00 per annum. Second class postage paid at New York NY and at additional mailing offices. POSTMASTER: send address changes to: FINANCIAL TIMES, 14 East 60th Street, New York, NY 10022.

Paul Betts visits Sophia Antipolis, the futuristic science park set above the Mediterranean

Technopole chips among the Riviera pines

THE SITE is the French Riviera at its best—more than 2,000 hectares of Mediterranean pines on hills, with views on one side of the snow-capped Alps and on the other of the blue bay of Antibes. After 15 years of promotion and persuasion, M Pierre Laffitte, the director of the Ecole des Mines de Paris, one of the most venerable of the French academic establishments, has made a Utopia come true.

On this remarkable site, not far from his home town of St Paul de Vence, M Laffitte has created what he calls a city of wisdom, science and learning. In the more mundane jargon of contemporary high technology, it is a "technopole."

M Laffitte is not frightened of hyperbole or symbols. "I wanted to build on this site a city focused on the future: an intellectual centre for scientific thinking," he said in the main square of Sophia Antipolis, the name he gave to what has now become France's largest scientific park.

Sophia, his first wife's name, means wisdom in Greek and Antipolis is the Greek for Antibes. Around the little square, he has planted Newton's apple tree ("It really came from Cambridge," he says) among other symbols of learning and scientific discovery.

"I had seen what they did at Stanford in California and in Japan. I felt France needed also to have its technopoles where high technology, research and training, the academic world and the industrial world were all present on one site," he explains.

M Laffitte also wanted his park to have a strong international and cultural character. "This is not only one of the most important scientific parks in Europe, it is the only one with an international vocation," he claims.

Since the idea was first launched in 1969, about 70 enterprises or research institutions have bought space at Sophia Antipolis and built research and other facilities. The complex is a sort of Mediterranean mini Brasilia, where modern, at times futuristic, architecture is blended with the local vegetation.

Air France has established its central booking computer at Sophia Antipolis and several multinational companies including Dow Chemical, Digital Equipment, Searle and Rohm & Haas have established themselves in the park. Last week, the French national institute for computer and automation research opened a centre on a site which had been considered several years earlier by Rank Xerox.

There are also two villages of 250 dwellings each, two hotels and an international lycee. The park, says M Jean Ossard, a close collaborator of M Laffitte, now directly employs 3,000 people, which is planned to rise to 5,000 people by 1985.

"I believe that ultimately these types of parks will replace the old industries like the shipyards or the steelworks. They form part of the evolution of industrial policy as the heavy industries become increasingly dislocated. These parks will become the new industries of the future for countries like ours," argues M Laffitte.

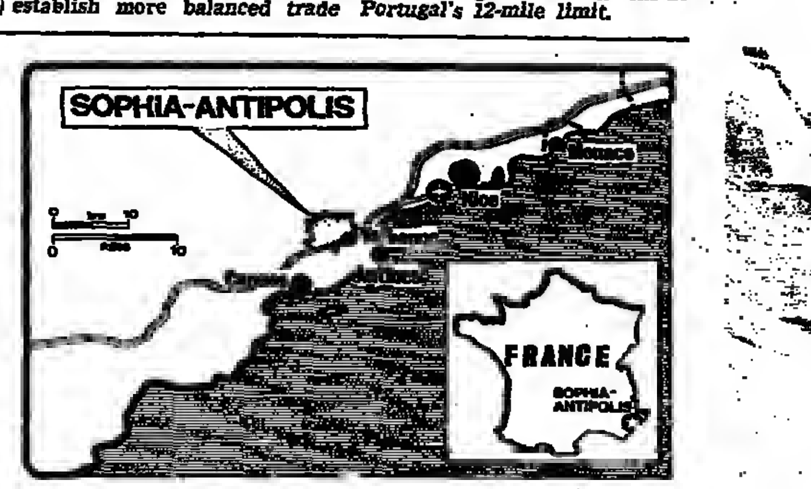
He estimates that there should be at least 20 such scientific parks in France; the French Industry Ministry is currently reviewing an internal study which envisages the possible creation of eight such complexes.

Apart from Sophia Antipolis, the other main French "technopola" is around the city of Grenoble, closely integrated with the industrial and academic tissue of the area. This is France's "mini Silicon Valley," with its own crop of small high-tech industries, especially concentrated in robotic and automation technologies.

In contrast, Sophia Antipolis, while connected with the local universities, training establishments and to some extent industries, is more independent. Yet M. Ossard, sees it as a model that could be exported elsewhere. To build a technopole, he says, you need an international airport (like Nice in this case); a university centre; high technology industries in the area; international cultural and social infrastructures (the Riviera, he adds, has plenty of them); and a good site. The Bordeaux area would be another good candidate, he suggests.

Sophia Antipolis is also unusual for a country like France in that it began as a private non-profit-making venture. "We started with no money and we got the whole thing going in fits and starts on bank loans after buying the first 40 hectares for FFr 1m (£90,000) explains M Ossard.

The concept provoked a good deal of scepticism, especially at the beginning. "The two oil shocks in the 70s did not help," acknowledges M Laffitte. But as the complex started developing and more and more big corporate names come in the central and local authorities began taking increasing interest in promoting and completing the project.



"We always new Sophia Antipolis would eventually succeed as a real estate development. How could you fail with such a site?" says M Ossard. If the scientific park had collapsed, the banks would have got their money back by cashing in on the value of the land.

But not all the problems have disappeared. The proposal by a Toyota subsidiary to establish a research centre at Sophia Antipolis is being opposed by the Industry Ministry.

The Ministry will allow the Toyota subsidiary to establish itself only on the basis of a joint venture with a French company. Industrial espionage appears to be at the root of the concern, although other Administration officials see no objection to the Japanese investment.

For M. Laffitte, its presence would be a symbol of the international vocation of Sophia Antipolis, with Japanese, Americans and Europeans grouped together in the pine woods above Antibes.

Debt problems will dominate agenda of OAS meeting

BY HUGH O'SHAUGHNESSY

LATIN American countries will be seeking new ways of maintaining pressure on the more developed countries for a reduction of interest rates and commissions paid in reschedulings of their $310bn debt in a gathering due to take place under the aegis of the Organisation of the American States later this month.

Senator Manuel Ulloa, a former Peruvian Prime Minister, is tipped to chair a subcommittee established by the OAS Special Committee on Finance and Trade and charged with trying to match the region's growth prospects with its ability to pay its debts.

Sr Ulloa took a prominent part in the Latin American economic summit which was held in Quito, the capital of Ecuador last month as a result of which the Latin American countries stated that they would not be pressed into paying more in debt servicing than the demands of economic development would allow.

The subcommittee is to project the growth of Gross Domestic Product and per capita income from now until the end of 1986. It will attempt to reconcile the demands of the international financial community with "socially, politically and economically acceptable levels of income and consumption."

The subcommittee, the venue of whose meeting has yet to be fixed, is to present its conclusions before the end of next month. These are likely to reiterate Latin American demands for easier payment terms and to set comparatively little store by the arguments adduced by the governments of lending countries and the commercial banks.

An attempt to promote a broader dialogue is being mounted by the Inter-American Development Bank which is to hold its annual meeting at the Uruguyan resort of Punta del Este at the end of next month. Officials are hoping that the presence of representatives of the governments of industrialised countries such as the U.S., Britain and France, a large number of commercial bankers and governmental delegations from Latin America will set the scene for a quieter and more multilateral approach to the problem of the region's debt.

According to international bankers, the agreement over the weekend between the newly-established civilian government of Argentina and that of President Jaime Lusinchi of Venezuela which was inaugurated in Caracas last Thursday may not prove very far-reaching.

It was announced that the two countries would seek to co-ordinate their policies on international debt questions. In some financial circles it is felt that the strategic policy with regard to Latin American debt is being co-ordinated between Brazil, the largest debtor, and Mexico where both governments have decided to follow a policy of co-operation rather than confronation with their creditors.

Such co-operation limits the room for manoeuvre for those debtor countries which seek to take unilateral action against creditors and set ceilings on the amount of foreign exchange they are prepared to devote to debt servicing.

Shultz visit to Grenada underlines U.S. interest

BY HUGH O'SHAUGHNESSY IN LONDON AND CANUTE JAMES IN KINGSTON

THE CONTINUING U.S. interest in Grenada and the Eastern Caribbean in general is underlined by the visit of Mr George Shultz, U.S. Secretary of State, to today's independence day celebrations in St George's.

Paratroopers from the 82nd airborne division which led the invasion of the island on October 25 are to give a parachute display at Queen's Park, in the Capital, and Mr Shultz may sign a new aid agreement.

Britain will be represented by Mr Giles Bullard, the non-resident High Commissioner, and HMS Plymouth which has been carrying out training exercises in the vicinity.

The visit of the U.S. and British forces comes at a time when Washington is doing its best to re-establish the Grenada Defence Force whose role was taken over by the People's Revolutionary Army during the prime ministership of the late Mr Maurice Bishop. Grenadian soldiers are being sent for training by U.S. personnel in neighbouring islands.

"We are not involved here in any training of Grenadians," said Col Lester Ogilvie, second-in-command of the Caribbean force in Grenada, "but Grenadians are being sent to other islands where these training facilities exist."

U.S. military instructors have been assigned to almost all the islands of the Commonwealth Caribbean to train local personnel.

Washington is encouraging Britain to take a more active part in the security operation in the Eastern Caribbean by expanding its police training programmes.

Under U.S. legislation, the Administration is debarred from giving assistance to foreign police forces. But in the case of the Eastern Caribbean, this provision is being effectively modified by assistance being channelled to those parts of the local police forces which, like the Special Service Unit in Dominica, are to all intents and purposes performing military duties.

In St George's, Sir Eric Gairy, the former Prime Minister who returned from exile in the U.S. on January 21, continues to make his presence felt.

After an interview with Sir Paul Scoon, who he appointed governor-general during his prime ministership, Sir Eric said: "I told him in principle I disagree with its (the interim Government's) constitutionality, but I was not going to oppose it in the interest of Grenada."

Brazil and Bolivia plan joint action on drugs

By Andrew Whitley in Rio de Janeiro

THE PRESIDENTS of Brazil and Bolivia are expected to discuss today joint action against the fast growing and highly lucrative cocaine traffic to the U.S. and Western Europe.

President Joao Figueiredo of Brazil will meet with President Sr Hernan Silas Zuazo of Bolivia in Santa Cruz, eastern Bolivia. Sr Figueiredo arrives fresh from meetings yesterday in Brasilia with Mr George Shultz, the U.S. Secretary of State.

According to the U.S. State Department, officials travelling with Mr Shultz were intending to make a plea for stiffer action by Brazil against the drug traffic.

In recent months, the swelling flow of unprocessed cocaine from the rich producing regions around Santa Cruz has largely been switched from its former treatment and transhipment point in Colombia to locations in Brazil. Rio de Janeiro and Sao Paulo have become major entrepots for the illegal trade.

One reason for the change of route, U.S. officials believe, was last year's change of administration in Bolivia, after many years of rule by military juntas closely linked to the drugs trade. The new civilian government of President Silas Zuazo has attempted to crack down on cocaine exports, but has had less success in controlling its production.

In its defence, Brazil can point to the fact that interceptions of cocaine at its international airports have doubled over the past year. But this could also be viewed as further evidence of how much more is passing through the country.

Unmarked light aircraft are known to bring the cocaine "base" from Eastern Bolivia across the virtually unguarded Brazilian frontier to farms in Mato Grosso state. From there it is shipped to Sao Paulo and Rio de Janeiro, where many of the clandestine processing laboratories are believed to be

On a more mundane, but nevertheless still lucrative note, Bolivian officials are likely today to press their Brazilian counterparts for a decision on the longstanding proposal to pipe natural gas from eastern Bolivia to the Sao Paulo region. For their part, the Brazilians are believed to be unready to make any firm commitments

GE wins Pentagon engine contract

By Terry Dodsworth in New York

GENERAL ELECTRIC, the diversified U.S. electrical group, has broken Pratt and Whitney's hold on the lucrative U.S. jet fighter engine market with a one-year contract for the production of a new generation of engines.

The deal will give GE 75 per cent of the Pentagon's orders for this category of engines in fiscal 1985, which begins on October 1. This leaves the other 25 per cent to Pratt and Whitney, a subsidiary of United Technologies.

Pratt and Whitney was recently involved in a bitter controversy over the price of its spare parts on military contracts, and the Air Force pointedly stressed in announcing the agreement that GE had offered a better deal on replacements, and an "excellent" warranty.

Tim Coone, recently in San Salvador, reports on the impasse over the planned elections

Death squads dilemma for U.S. in El Salvador

ON THE SURFACE, San Salvador is a city of relative peace and apparent prosperity. Daytime crowds throng the city centre shops where the shelves are crammed with imported goods bought with dollars provided by the U.S. Government to keep the economy afloat.

At night, however, shooting can be heard in the suburbs. Estate cars with blacked-out windows, glide quietly through the empty streets like prowling sharks. These are the vehicles of the *notorious* death *squads*.

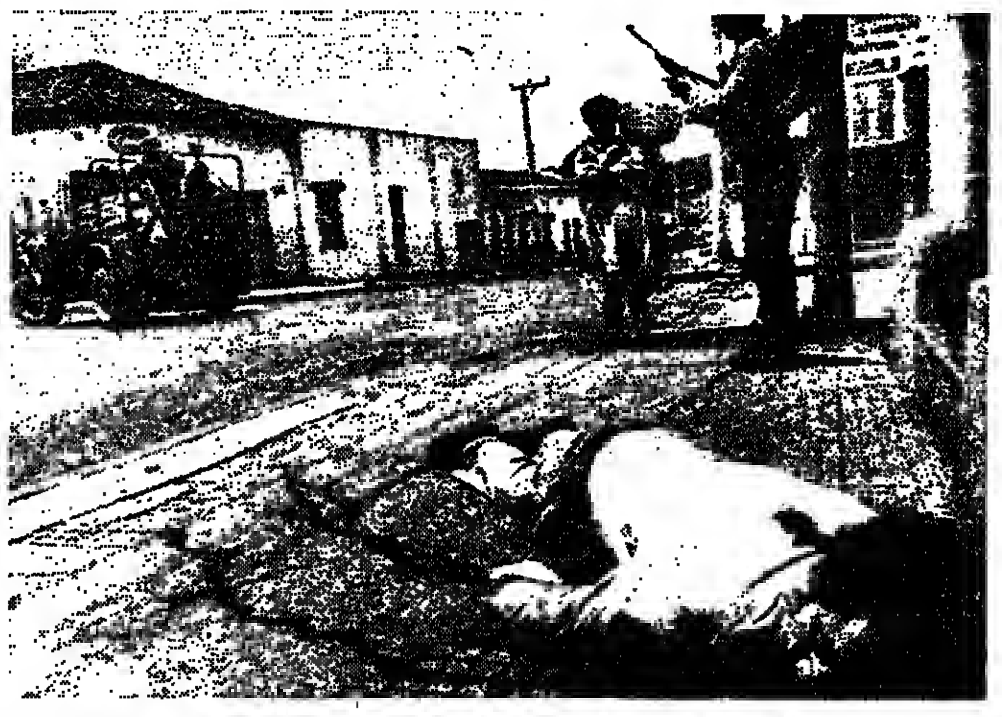
Those associated with opposition to the far Right—trade union leaders, university lecturers, political figures, journalists, unemployed youths, have fallen victim in their thousands to the death squads. Bodies are found shot through the head, hands tied behind their backs with wire.

Recent reports have linked the political assassins with some of the highest levels of command of the army and security forces, and it is becoming increasingly apparent that little can be done to stop them without effectively disembowelling the officer corps of the armed forces.

According to one prominent university professor: "We all live in fear, waiting for that knock on the door. A recent declaration published by a number of top army officers condemning the activity of these death squads, contained a number of names known to be directly linked to them."

This is the dilemma facing the Reagan Administration in formulating its policy towards El Salvador. Under U.S. pressure, the country has started campaigning for the presidential elections due to be held on March 25, but without the FMLN-FDR guerrillas, who refuse to take part.

In the words of one political observer, "to fight the elections you need 3,000 signatures to register as a political party. Who in their right minds, Left of the Christian Democrats, is going to sign such a list in the present circumstances?"



Victims of the "death squads" . . . an all too familiar sight

The military situation has continued to shift in favour of the guerrillas. The U.S. solution, recently proposed by the *Kissinger Commission and* endorsed by the White House, is to send more military aid to El Salvador. But a U.S. embassy official in San Salvador admitted that the only way the country could be pressured over the death squads was by threatening to cut military aid.

Without the aid the army would collapse. With it, there is no way to stop the political killings. The dilemma is made worse for the U.S., because the military aid is the "shield" behind which free elections, the cornerstone of the Government's hopes of stabilising the country are to take place.

'According to a prominent university professor, everyone lives in fear, waiting for that knock on the door'

Sr Francisco Quinones, president of the Government-sponsored Peace Commission, which has so far been unsuccessful in persuading the guerrillas to participate in the elections, is also the presidential candidate for the small but influential Popular Salvadorean Party.

He estimates that no party will achieve sufficient votes for an outright victory, although the Christian Democrats will probably gain the largest share. The various Right-wing parties will then unite in a coalition, he believes, probably with Major Roberto D'Aubuisson, leader of the far-Right Arena Party, as president, to keep out Sr Napoleon Duarte, the Christian Democrat candidate.

The Christian Democrats offer, for the U.S. at least, the last hope of a moderate government which could prevent a polarisation of the majority of the population that has so far remained outside the war. But that hope is becoming more remote.

The Christian Democrat trade union federation, the UPD, with some 200,000 members, receives funds from the U.S. trade union federation the AFL-CIO. It has recently challenged the far *Right over the new constitution* and the truncated agrarian reform movement. Several of its leaders have been killed as a result, and those surviving now rarely sleep in the same house two nights running.

Major D'Aubuisson himself has been accused of having direct links to the death squads and his hard-line anti-communism and well-known contempt for U.S. liberalism, especially over human rights, leaves little hope of an end to the political assassinations if he becomes president.

For the guerrillas, however, he will be the perfect villain to unite the opposition, in the same way as was the universally despised President Anastasio Somoza in Nicaragua shortly before the Sandinistas' victory in 1979. "The U.S. cannot afford to have a favourite candidate," says Sr Quinones, "because it will have to deal with whoever wins."

Is there any chance of a deal with the guerrillas? The Government insists on their participating in the elections, the guerrillas insist on power-sharing first and then they will talk about elections.

It is an impasse that will be broken only by a shift in the military balance, and if the death squads cannot be reined in, the White House may shortly have to face some embarrassing decisions.

TECHNOLOGY

EDITED BY ALAN CANE

FRANCE AND BRITAIN AGREE NUCLEAR PROGRAMME

Fast breeders to go ahead

BY DAVID FISHLOCK, SCIENCE EDITOR

IN LONDON this morning the chairmen of the Central Electricity Generating Board and Electricité de France will sign an agreement to collaborate in the development of the commercial fast breeder type of reactor.

The bilateral agreement between the two utilities follows the signing, by five European ministers, last month of an inter-governmental agreement pledging a pooling of fast reactor research and development programmes (R & D) totalling about £300m a year.

Britain and France have the most advanced fast reactor R & D programmes in the western world. In each case operating experience centres on a 250 Mw prototype fast reactor, designed and operated by the nuclear R & D agency in each country: PFR at Dounreay in Caithness and Phénix at Marcoule in the Rhone Valley. Both prototypes were commissioned in the mid-1970s.

But where as Phénix has delivered 12m megawatt-hours of electricity, the PFR has delivered less than 1.5m Mwh.

PFR's big problem has been the steam generators, the boiler systems which turn nuclear heat into high-pressure steam. Engineers call the steam generator the "Achilles' heel of the fast reactor." Every big fast reactor in the world—including Phénix—has suffered some trouble with this component. The UK Atomic Energy Authority, which operates the PFR, may have suffered more than others because it attempted to go in one step to an ambitious design believed suitable for a commercial-size fast reactor.

In the event, its PFR has been dogged since 1974 by a series of leaks; far more than Phénix, with its much simpler steam generators, considered unsuitable for scaling up to commercial size.

As a result, the UK Atomic Energy Authority is undertaking a £20m replacement programme for the intricate assemblies of pipework wherein the leaks have occurred. It involves replacing the reheater tube bundles and superheater tube bundles for each of the three steam circuits of PFR.

It contains two miles of ferritic steel tubing, assembled by advanced manufacturing techniques. It has been made under a contract carried out jointly by NEI · Nuclear Systems and Babcock Power. Design and development of the new steam generator components has been supervised by the National Nuclear Corporation, responsible for component development for the commercial fast reactor.

At the core of the steam generator problem is the ferocity of the corrosion which can occur should traces of steam find their way from the steam generators into the circulating molten sodium metal from which they are extracting nuclear heat.

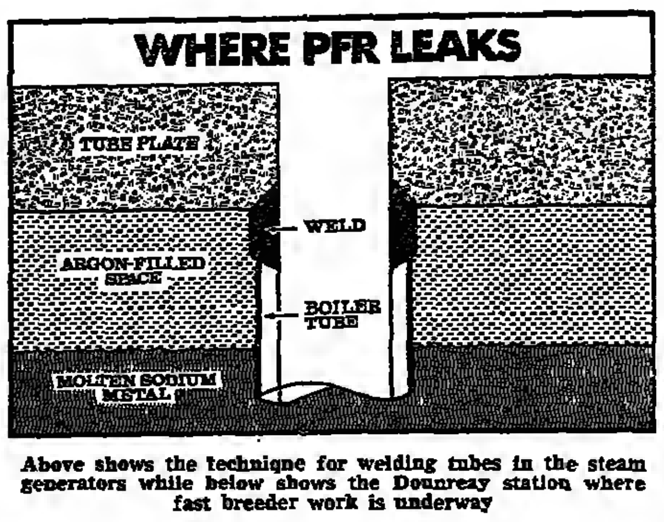
Early in the life of the reheaters and superheaters, leaks developed in the tube-to-tube plate welds. Two such leaks were repaired but a third, in a reheater, caused such severe corrosion cracking round the weld, as a result of the caustic soda formed in the steam-sodium reaction, that the reheater has not been used since.

The replacement tube bundles are of essentially the same design as the originals, with two important exceptions. The basic material has been changed from austenitic stainless steel to ferritic steel, more resistant to stress corrosion cracking. Also, all tube welds in contact with molten sodium have been eliminated.

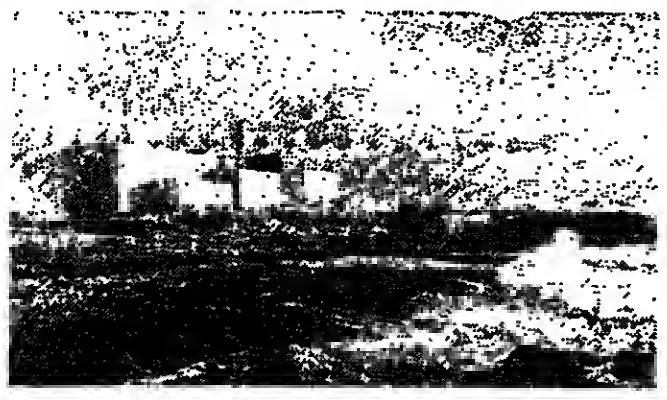
The third major component of PFR steam generators is the evaporator units. These sprang many small leaks, starting in 1974, and totalling about 75 so far. The evaporators have been refurbished *in situ*, using techniques described by Dounreay staff in this month's issue of Nuclear Engineering International.

These evaporators consist of nearly 500 U-tubes of ferritic steel, 25 mm in diameter. They are heated by molten sodium circulating from the reactor at 450 degrees C, surging past the tube bundle at the rate of almost a tonne a second. Each evaporator has 1,000 welds, 500 on the inlet and 500 on the outlet side. All the leaks have been in the tube-to-tube plate welds which anchor the upper ends of the U-tubes. They allowed steam to leak into the space above the level of molten sodium, filled with argon at low pressure, as the sketch shows.

Attempts to arrest the stress corrosion cracking which accompanied the leaks, by shot-peening the welds, proved unavailing. The incidence of leaks continued to increase. This has now been attributed to "ageing" of the weld material



Above shows the technique for welding tubes in the steam generators while below shows the Dounreay station where fast breeder work is underway



—it has hardened and become stressed with age—and to an accumulation of caustic soda and other impurities in the sodium reactor coolant.

The Dounreay scientists say that laboratory tests have shown such an aged component "to be vulnerable to a wide range of aggressive environment." They decided the weakness must be removed.

The remedy finally adopted was to bypass the welds by inserting sleeves into the tubes to provide an extra barrier against any flaws in the welds. It meant developing an explosive welding technique to attach the upper section of the sleeve to the tube plate, and a brazing technique to attach the lower end of the sleeve to the tube. The integrity of the sleeve and its joints is designed to provide a complete seal even if the original weld should crack completely, right rounds its circumference.

Northern Engineering Industries automated and carried out this resleeving operation, starting in the autumn of 1982. The first refubished evaporator is now finished, the second is almost ready, and the third is scheduled to be back in service by mid-summer.

When the returbishing of PFR is complete, the UK AEA will have a testbed for what is expected to be the design of steam generator for a commercial demonstration fast reactor of the 1990s, at about one-fifth of full-scale. In anticipation of a growing involvement with the fast reactor, the CEGB has just created a fast reactor engineering and technology branch at its Construction Division's headquarters at Barnwood, headed by Dr Bob Hall from its Berkeley Nuclear Laboratories. The CEGB is expected to contribute increasingly towards the UK AEA's £100m-a-year fast reactor budget.

The case against links to the mainframe

THE GROWTH of the personal computer industry is already astonishing. The latest forecasts suggest total world wide installations will reach 80m units by 1987. (It took the car industry 63 years, and the telephone industry 76 years, to reach that level of penetration.)

While the low cost home computer dominates the number of units sold, machines for business use account for most of the value. The total value of PC shipments in 1987 is expected to exceed that of all other computers combined.

These figures include replacements for existing machines such as data processing terminals and word processors, but the greatest thrust in the U.S. comes from "end user computing," the use of personal computers by white-collar workers without computer training. Those most affected so far are middle managers, followed by senior executives and all types of professionals.

They primarily use personal computers for data analysis, modelling, creation of local files and word processing. Forecasts in the U.S. predict at least one out of every two office workers will have a personal computer by 1990 — many expect the ratio to be much higher.

Corporate data processing managers have a clear view of this "explosion." They fear information chaos and duplication. The wrong data, lack of security, documentation, standards and compatibility. It is not difficult to find horror stories to support their view, including a departmental manager spending half of his time on programming or creating 50 or more disks full of information.

They also feel that users will want to use the PC to gain access to data held on the mainframe and for other functions such as managing.

But there is also a quite different view, and it is that end user computing should be allowed to evolve in its own way and that attempts by DP departments to absorb it into their own strategies will only result in repressing its growth and stunting the innovative and creative talents within a user department.

In evaluating these two views, it may be helpful to examine briefly the need that end users have to access central databases. The first example is the personnel manager of a large UK group who had installed his own departmental computer for maintaining personnel records. His first step was to transfer the mainframe personnel files, which centred around payroll information, into his departmental database. At the end of the first year his staff had restructured these files several times in order to meet their own needs, and had recreated the contents almost

Professional Personal Computing

Connecting personal microcomputers to the mainframe so executives can have access to the corporate files is a major objective for many companies and their data processing suppliers. Here Frank Glyn-Jones, formerly with IBM and now a consultant to ICL, presents evidence that they may be misguided.

as if they had started from scratch. There was only a 15 per cent overlap between the mainframe database and the files which they developed.

This department was mainly concerned with recruitment, training and pensions. The director of human resources of another firm, who is part of a strategic planning team, has to match management skills on a European basis to future product and marketing changes over the next five years. He has built up a specialised database that is different again.

Line managers are beginning to create personnel records on PCs relating to the staff that report to them. They use this information in making decisions about the performance of their staff and the coaching, training and support they need. They record details about their staff that are only available to them.

Almost any function could be used to illustrate the point. But few managers have yet reached the stage of analysing their personal and departmental information needs to this extent. When they do, it could prove to be the real heart of the information revolution.

There appear to be no shortcuts in end user computing. After the PC is installed there can be a period of experimentation and learning which can take eighteen months. This is when the user is "learning to drive." He will probably start with a spreadsheet and it may take a month or two before he is comfortable with his first application and moves to his second. At some stage he will use a database program, create a file, and start to become familiar with techniques of analysing and plotting data and asking "what if?" questions.

A stage may be reached when he gets fed up with creating and maintaining his own files and may like to believe that the central database is a solution to his problem. But for the majority a central database will not suffice and the next step may be to organise a departmental effort in creating and maintaining group files. This in turn will involve much trial and error, and many false starts and blind alleys. But it is the process whereby departmental skills will be raised and presents a glorious platform for innovation and creativity.

Those executive managements who opt for this alternative approach will still have to exercise strong control but their emphasis will be on encouraging end users and end user departments to develop their own skills and solutions.

The opinions expressed in this article are the writer's own and are not necessarily held by either IBM or ICL.

End users are constantly *being told what they need* such as the multifuncation workstation, for example, combining messaging, with computing. But with which group will professionals wish to exchange messages? Surely it is the same group they *communicate with* by telephone? Should not messaging then be an extension of the telephone?

A handset, equipped with screen and keypad is inexpensive and it would seem logical to replace all telephones at one *go*. Ideally then we should instal a digital exchange. In this way we would achieve a critical mass overnight, and speed up the development of the national teletex network.

Robotics

Moving vertically

A ROBOT recently developed by Fairey Automation of Swindon is proving useful where the need is to move components within a single verical plane.

An arm with wrist and grippers at its lower end slides up and down and at the same time can be moved horizontally on an overhead gantry.

The robot is already being put to good use at Precision *Dippings Marketing* of Yate, near Bristol, where a process to make rubber components results in unpleasant ammonia fumes.

It takes formers from a conveyor and progresses them through a series of dipping operations before putting them back on the conveyor *for final drying*.

After each dip, the wrist on the gripper is rotated to ensure a regular flow of material and an even product.

Design

Factory test systems

Schlumberger has bought together its subsidiaries concerned with factory manufacturing systems into a unit to be called CAS, Computer Aided Systems.

The new management grouping will embrace Fairchild Test Systems and Membrain (both in board and component automatic testing), and the computer aided design, manufacture and draughting operations of Applicon, MDSI and Benson.

Group manager of CAS is Mr Jimmy Lee, formerly executive vice president of Fairchild Test Systems. More in the UK from Membrain on 0202 893535.

UK seeks to settle trade row with U.S. over sovereignty

BY CHRISTIAN TYLER, TRADE EDITOR

THE BRITISH Government embarks today on an attempt to get a lasting settlement of disputes about sovereignty that have plagued trading relations between the U.S. and her European allies.

The conflict arises from the application of U.S. law to American subsidiaries registered abroad and to European companies that employ U.S. components or technology. The British, along with other Nato governments, claim that this is a breach of national sovereignty.

Extraterritorial reach of U.S. export controls and anti-trust law — sometimes codenamed "ET"—has antagonised businessmen on both sides of the Atlantic, who claim it has damaged sales and investment in third markets.

Four British officials, led by Mr Christopher Roberts, a deputy secretary at the Department of Trade and Industry, and Sir Ian Sinclair, QC, legal adviser to the Foreign Office, hold the first of a series of meetings in Washington this week.

Even if the issue of principle cannot quickly be overcome, they hope to reach a settlement within six months that would at least prevent political ructions in future.

The mission coincides with the visit to the U.S. of Mr Norman Tebbit, Trade and Industry Secretary. Mr Tebbit will be raising the question in relation to recent complaints abont export controls over advanced American computers already in the UK and the flow of scientific and commercial information.

America's use in 1982 of export controls to try to enforce an embargo of European supplies for the Soviet Union's gas pipeline to West Europe prompted the UK to retaliate with the Protection of Trading Interests Act.

Since then, the "E.T." controversy has broken out again over Laker Airways' $1bn anti-trust damages claim in the U.S. against British Airways, British Caledonian and eight other airlines. BA has been seeking protection from U.S. law in the British courts.

For their part, the Americans are expected to seek tougher measures in the Cayman Islands, a British dependent territory, where, they say, banking secrecy laws have served to protect launderers of drug-trafficking money.

Nicholas Hirst in Toronto reports that economic nationalism is less of an obstacle

Canada eases curbs on foreign investment

THE CANADIAN Government of Prime Minister Pierre Trudeau has quietly but sharply sbifted direction to encourage new foreign investment.

The most marked change bas come in the operation of the Foreign Investment Review Agency (Fira) which vets all proposed overseas investments in Canadian industry.

After the Liberal Government's return to power in 1980 on a platform promising greater Caoadian control of domestic industry, foreign investors saw Fira again as a strong deterrent to investing in Canada. Its activities impaired relations with the U.S., Canada's main trading partner, which controls 80 per cent of the foreign investment in the country.

The percentage of proposed takeovers or new foreign ventures approved dropped to below 90 per cent for the first time in several years and the number of applications withdrawn during the review proeess soared. Fira maintains that many of the withdrawals occurred as a result of the recession, but complaiots about the length of time taken to give decisions flooded in. Between March 1981 and March 1982 the number of applications by foreign companies awaiting approval rose from 163 to 331.

Fira now processes most applications in less than 60 days. During the early period of the preseot Governmeot 150 days or more was common. In the first half of fiscal 1983-84 the approval rate rose to 99 per ceot. As one bank ecooomist put it: "It's hard to walk into their offices witbout getting 'approved' stamned oo your forehead."

The change of attitude is underlioed by the Government's ready acceptance of an unfavourable ruling of an arbitration panel of the Geneva-based General Agreemeots oo Tariffs and Trade (Gatt). The panel ruled that Fira's habit of frequently requiring foreign iovestors to sign agreements favouring Canadian suppliers cootraveoed the Gatt's rules. A meetiog of the Gatt couocil in Geneva today is likely to accept the panel's finding, and as a result, the council will seek ao explanation from Canada as to wbat it intends to do about it.

The likelihood is that Canada will agree to change its rules, probably along the lioes of the UK Offshore Supplies Office requirement, which gives "full and fair opportunity" to domestic suppliers.

It is not bard to explain the Government's cbaoge of direction. Fira, brought into being by an Act of 1974, was not originally intended to discourage foreign investment but to ensure it brought "significant benefit" to Canada.

It became unpopular, however, in the mid-1970s for its

Mr Herb Gray: economic nationalist

hard-lioe approach. This was eased by the end of the decade but with the introduction in October 1980, of the National Energy Programme, wbich discrimioated against foreign-cootrolled oil companies, and the appointment of Mr Herb Gray, a strong economic nationalist, as the Minister respoosible for Fira, foreign iovestors received the message that they were again less tbao welcome.

With the encouragemeot given to Canadians by the NEP to buy out foreign oil companies, C$11.3bo (£63bn) of capital flowed out of the country in 1981. As the recessioo gathered pace, output fell and unemployment rose.

The Government no looger felt it could afford to push economic nationalism at the cost of preveoting the creation of oew jobs by foreign iovestors. Late in 1982 Mr Gray was replaced by Mr Edward Lumley, a minister liked by industry, and a new commissioner was appointed to head Fira and its review process was streamlined.

Both federal and provincial governments are going out of their way to attract foreign concerns. Quebec bas successfully offered equity participation and a five-year C$120m power subsidy to persuade Pechiney, the French group, to build a C$1.4bn alumioium smelter. Federal and proviocial governments are giving C$275m in grants for a C$500m iovestment near Montreat by Bett Helicopter Textron of Texas, and the Ontario and federal govero-ments are assisting a C$80m helicopter investmeot by Messerschmitt-Botlkow-Blom of West Germany.

Between 1970 aod 1980, foreign control of all non-financial industry in Canada declined from 36 per ceot to 27 per cent.

Within that total, foreign cootrol in the mining industry dropped from 62 per cent to 34 per cent, in oil and gas from 91 per cent to 59 per ceot and io the sensitive maoufacturing sector from 54 per cent to 43 per cent. Selective statistics after 1980 show foreign cootrol has declioed stil further.

The Government did oot, however, ameod the Act under which Fira operates, as to do so could have been politically unpipular. Many Canadians remain concerned about the effects of having a "branch plant economy" with their industry controlled by foreigners, especially by U.S. interests. Eveo if the Progressive Conservatives win the next election—expected some time this year—they are likely to modify rather than repeal the Act.

The streamlining at Fira seems to have had the desired effect. "We now see our job aa helping the investor to put to put the best case he can," said Gordon Dewhirst, Fira director of research and communications. Applications in 1983 were up 25 per cent over 1982 and currently are running 10 to 12 per ceot higher than a year earlier.

Foreign investment in some industries, however, is likely to remain unwelcome. Successive Canadiao Governments have attempted to protect cultural, financial, utilities and railways sectors from foreigo control.

As Canada tries to build up its own high technology Industries, acquisions there may be viewed with dasfavour.

U.S. 'not told' Greece wants new air accord

By Andriana Ierodiaconou in Athens

U.S. OFFICIALS in Athens yesterday denied a Greek Government announcement that 12 months' ootice had been served on the U.S. for the revision of a 1946 agreement granting reciprocal landing rights to Olympic Airways, the Greek national carrier, and Trans World Airlines (TWA).

The agreement, revised in 1966 and 1968, allows TWA to transport passengers between Greece and destinations in Western Europe and the Middle East. It allows Olympic to land in New York and in Chicago via Montreal, though the Greek carrier has never used the secood route.

Greece sought "consultations" with the U.S. on the agreement last December, since wben the issue has lain dormant. In a surprise weekend announcement, however, the Greek Government said it was denouncing the agreement as "one sided and colonial."

U.S. officials said that as of late yesterday the announcement, broadcast widely over state radio and television, had not heen communicaled either through diplomatic or business channels. "We have sought clarification but have received none," one said.

Hoechst clinches contract for Saudi plastics plant

BY CARLA RAPOPORT

HOECHEST OF West Germany, through its engineering subsidiary Uhde, has won the engineering design, equipment procurement and construction assistance contracts for a $400m plastics plant to be built in Jubail, Saudi Arabia.

Uhde was chosen by the project's joint-venture partners, Sandi Basic Industries Corporation and Lucky Group of South Korea. When complete, the plant will produce 300,000 tonnes per year of vinyl chloride monomer (VCM) and 200,000 tonnes per year of polyvinyl chloride (PVC). The two products are intended to be used in the domestic manufacture of pipes, electrical wires and cables when the plant comes on stream in 1986.

● The Dubai Government and Imperial Chemical Industries yesterday announced the reopening of a factory to make high explosives at Jebel Ali, Dubai.

The factory is now being run by the new company, Emirates Explosions, which is 49 per cent owned by ICI. ICI bought its share from Spanish partners last June, following the suspension of nrodnction in 1982.

Abu Dhabi may seek industrial joint ventures

By our Abu Dhabi Correspondent

ABU DHABI may soon be seeking joint ventures with foreign companies in Government-owned industry outside the oil sector.

The British-based consultants, W. S. Atkins, recently completed a blneprint for non-oil industry, which is now awaiting Executive Council approval. The blueprint covers a 15-year period, starting this year, for both public and the private sectors.

According to Mr Essa Ateek, head of the General Industry Corporation (GIC), which licenses private industry in Abu Dhabi, the corporation will seek joint ventures with foreign companies where tho feasibility of a project can be proved. The Abn Dhabi Government would hold at least 51 per cent of the equity in any such projects.

At present, GIC ventures include flour mills and silos and plants to produce cement, concrete blocks, bricks and lime as well as paper bags and plastic bags.

The major difficulties for local industry bere, according to Mr Ateek, were the small size of the home market and the cost of imported raw materials. But several industries now export to elsewhere in the Gulf.

Bechtel signs oil-gathering project deal

By Angela Dixon in Abu Dhabi

BECHTEL of the U.S. in joint venture with the Arab Engineering company (Arec), has signed a contract for a surface oil-gathering scheme on the enshore oilfield of Bu Hasa in Abu Dhabi. Total valne of the project is expected to be around $200m.

The project will consist of installation of prodnction manifolds and testing facilities at three new prodnction stations and central facilities at Bu Hasa.

Engineering design, procurement and management of the project will be carried ont by the joint venture, and will be executed entirely in Abu Dhabi.

First conceived by the Organisation of Arab Petroleum Exporting Countries (Oapec), Arec was formed in 1981 to provide engineering services for the petroleum industry. The company has already been involved on a joint venture in several Abu Dhabi projects, including phase one of an enhanced recovery scheme on the same oilfield, using water injection methods and a $400m project for the construction of wellhead jackets offshore. The company has an authorised capital of $20m, of which $12.7m is subscribed.

EEC puts anti-dumping duty on Spanish steel

BY PAUL CHEESERIGHT IN BRUSSELS

THE EEC has increased pressure on Spain to reach a steel trade agreement for this year by making definitive a provisional anti-dumping duty on concrete reinforcing bars.

On the basis of a dumping margin of 12.4 per cent, a figure reached without the co-operation of Spanish exporters, the rate of duty has been set at Ecus 38.79 (£22.11) a tonne, the European Commission said yesterday.

The decision to make the duty definitive, at the same rate as that set in November for the provisional duty, signals the EEC's continuing disquiet with the level and distribution of Spanish steel sales.

The main market affected is West Germany. Roughly half Spain's steel exports to the EEC go to West Germany. In the case of concrete reinforcing bars, 90 per cent of Spanish sales have been concentrated on Germany.

The Spanish penetratioo of the market—15.4 per cent—is seen to pose a threat to the sales of EEC suppliers in a category of steel product which is outside the minimum price controls because of relatively stable demand.

Spain is one of a balf dozen suppliers with whieb the EEC has not yet negotiated a sales control agreement for thia year.

The European Commissioo's negotiating mandate includes the demand that sales be spread around the EEC and that deliveries not he bunched in any particular period.

Spain's insistence on access to the German market and the Bonn Government's demand that supplies be reduced to the level of the late 1970s, despite a build-up since then, has resulted in an impasse.

West German calls for a more rigid control of the steel trade in general and Spanish exports in particular emerged strongly last autumn as the Governmeot responded to pressure from the domestic industry.

The imposition of aoti-dumping duties is a weapon the EEC bas held in reserve for suppliers who breach "voluntary restraint agreements." The Commission noted last year that Spain had not always kept to the terms of sucb agreements, citing the sales of wide-flanged beams in Germany during 1982.

Last of the President's Lebanese allies turn against him,writes **Patrick Cockburn** in Beirut

Cornered Gemayel fights for survival

PRESIDENT AMIN GEMAYEL is fighting for the survival of his regime after a weekend during which his last allies among the Moslems of Lebanon turned against him with the resignation of the government of Mr Chafic al-Wazzan.

His army must now retake largely-Moslem West Beirut as it did last August, but conditions have moved against him.

The capital is under conditions of siege with the Druze militia controlling the ridge which dominates the city. Behind them are 400 artillery pieces and multiple rocket-launchers.

The regular army has received more training and equipment, but so have the militias. The Amal, the militia of the Shia Moslems, who are the largest single community, is fighting hard.

Last Saturday, Mr Nabih Berri, the Amal leader, called on the Shia either not to fight or to desert where necessary.

Now Mr Chafic al-Wazzan, Prime Minister since 1980, has resigned and the Sunni Moslem leaders have gone to Damascus for discussions with the Syrians.

The key fact in the present circumstances is that Moslems on *both* the Left and the establishment Right have turned on the President.

This has happened in a country where they form 60 per cent of the population, and are backed by Syria and therefore President Gemayel is completely isolated.

> Even if West Beirut is conquered again, the enemies of the regime are too numerous and too well-supported by Syria to be dispensed with. 'He (Gemayel) is in a corner, and he will fight, but in the long-term he will lose,' said an observer.

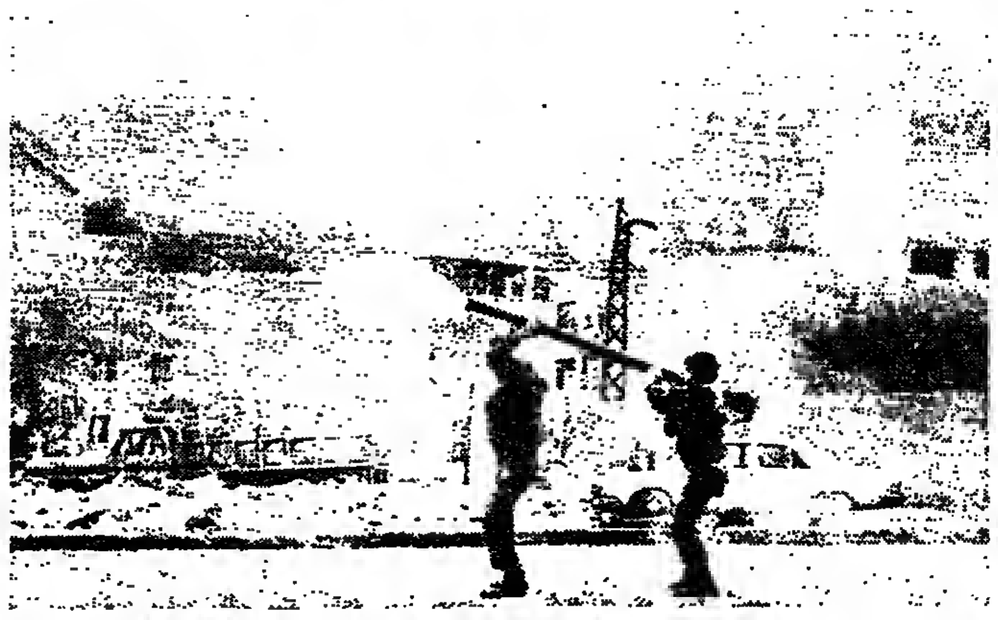
He must gamble that sufficient army members still back him to enable him to restore some of his authority. He must use the three tank batallions and nearly four brigades in the armed forces that are up to strength, but without U.S. support, they will not be enough.

Even if West Beirut is conquered again, the enemies of the regime are too numerous, too well-armed and too well-supported by Syria to be dispensed with. "He is in a corner and he will fight, but in the long-term be will lose," said an observer in Beirut.

The problem for Amin Gemayel, ever since his election in 1982, is that his occupation of the post of President following the assassination of his brother Bashir, represented a particular balance of power which existed only while the Israelis controlled Beirut.

The mistake he made, along with the Christian Phalangist Party, was to believe that the Israelis or the Americans would be their strategic allies.

They thought Washington would prop them up against the Syrians; they hoped that there was no real need to conciliate the Lebanese Moslems, and the Phalange Party, from which he was never able to entirely break free, calculated wrongly.



Anti-government fighters hold a 75mm gun aloft in west Beirut

Last April, the U.S. embassy was blown up. "The protectors cannot protect themselves," said Lebanese. The war in the mountains isolated Beirut. The Christian militia was defeated. The Israelis had pulled back from Beirut and the Americans did not retaliate against Syria to redress the balance of power.

The May 13 agreement with Israel, arranged by Mr George Shultz, was "The Kiss of Death for Gemayel," said a Christian.

In the last few days, the army has been reduced to shelling parts of its own capital in South Beirut, but it cannot retake the military position at St Michael's Church for which it has fought for five days. It will now try to retake West Beirut, but in the long-term even a victory there will be to little avail.

Editorial comment—Page 16

An echo of war: In a Beirut street a Shia woman raises an AK-47 rifle above her head. Meanwhile, President Gemayel's army must try to retake largely-Moslem West Beirut as it did last August However, conditions have now moved against him, with the capital under siege conditions and the Druze militia controlling the ridge above Beirut

Israeli eyes on south Lebanon

BY DAVID LENNON IN TEL AVIV

ISRAEL HAS no intention of trying to shore up the position of Amin Gemayel, the Lebanese President, according to officials in Jerusalem.

While carefully watching developments in Beirut, Israel's only goal, officials insist, is to develop security arrangements in the south of Lebanon which will ensure that Palestinian guerrillas cannot again use it as a launching pad for attacks on northern Israel.

Mr Yitzhak Shamir, the Israeli Prime Minister, has insisted on separating events in Beirut from Israel's position in the south.

In a meeting yesterday with Mr Pieter Dankert, president of the European Parliament, he even gave the impression that a rapid Israeli withdrawal from Lebanon could happen soon.

Jerusalem had certainly hoped that troops from the Lebanese army could have moved into the south to take over the policing role of the Israeli army. But that has been made even more remote by the latest developments

Mr Shamir said that Israel would strive for an understanding with the Lebanese Government over policing of the south. However, he added, if this is not possible, then Israel would act independently to devise adequate security arrangements.

Despite the Premier's apparent optimism that withdrawal of Israeli troops could happen soon, most Israeli experts doubt that this is feasible.

Efforts to build a local militia capable of controlling the south had not borne fruit, and the death of Major Sa'ad Haddad, the militia chief, had only exacerbated the situation.

The Premier yesterday rejected the suggestion by Mr Dankert that the UN force in southern Lebanon, which was recently reinforced by the arrival of more French troops, could be capable of taking responsibility for security

Damascus responsible for crisis, says Shultz

BRASILIA — Mr George Shultz, U.S. Secretary of State, yesterday blamed Syria for the Lebanese crisis, adding that he thought the U.S. Congress helped harden Damascus' opposition to a political settlement in Beirut.

Speaking during a visit to Brazil, Mr Shultz said he had been in touch with Washington concerning the crisis.

Syria had been responsible for the use of force and for threats against Lebanese Ministers and potential Ministers as it sought to prevent President Amin Gemayel from broadening the base of his Government, Mr Shultz alleged.

"So far as the discussions with Syria are concerned, they don't get anywhere," he added. "They did get somewhere at a time when we appeared more forceful, but as we have continuing resolutions introduced in our Congress and discussions that are generated by that, the Syrians basically just become totally intransigent.

Congress voted last October to permit U.S. Marines in the multinational peace-keeping force to remain in Beirut for 18 months. But the Democrat opposition has now introduced a resolution to bring about their "prompt and orderly withdrawal."

Mubarak in bid to revitalise Mid-East peace process

BY CHARLES RICHARDS IN CAIRO

EGYPT'S PRESIDENT Hosni Mubarak flies to Washington at the end of the week in a bid to revitalise the Middle East peace process, and to discuss U.S. aid to Egypt. Egypt is, with Israel, the largest recipient of U.S. aid, but is again late with interest payments on its military debt.

Mr Mubarak will be trying to prod the U.S. Administration into taking action to revive the peace process. Egypt has argued that the peace process should neither be sidetracked nor held up by failure to achieve withdrawal of foreign forces from Lebanon or by the impending U.S. elections.

Egypt would like some U.S. response to what it sees as positive moves on the Arab side, notably the initiation of a dialogue between Jordan, the Palestine Liberation Organisation and Egypt.

Aid wil also feature high on Mr Mubarak's agenda. Egypt would like up to \$300m (£214m) of the \$1bn-a-year non-military assistance as a cash transfer rather than the present project-tied aid.

Mr Muharak has already sent his minister of Economy and Industry to Washington to seek greater flexibility in the use of U.S. aid in Egypt. But the visit by the Ministers seems ill-timed and ill-conceived since the Senate Foreign Relations Committee has repeatedly said it will not write Egypt a blank cheque.

Egypt is already late in paying interest instalments on its military debt due on December 15 and January 15, totalling \$75m.

When Egypt was similarly late a year earlier, officials argued it was good financial management to leave interest payments to the end of the 60-day period after which penalty interest was incurred. But bankers tried to persuade the authorities that it looked bad to the international banking community for Egypt to do this.

It remains unclear whether the delays are due to bureaucratic hold-ups or whether Egypt is experiencing genuine balance-of-payments difficulties.

Military debt is repayable over 30 years with a 10-year grace period

The U.S. Administration has asked Congress to approve a military aid package for Egypt of \$1.1bn for 1985—all in grant form — against the \$1.3bn for 1984.

Diplomat's murder heats up Kashmir cauldron

BY JOHN ELLIOTT IN NEW DELHI

OF ALL India's many trouble spots, the northern Himalayan area of Jammu and Kashmir is perhaps the most internationally explosive. It is the cockpit of friction between Pakistan and India, the disputed territory over which both countries claim control. In 1947 and 1965 it was at the centre of two wars.

The murder of the Indian diplomat in Birmingham by a group claiming to be Kashmir terrorists, coupled with internal political unrest in the state, have brought the area to the centre of attention again, at a time when Indo-Pakistan relations are worsening after a brief improvement.

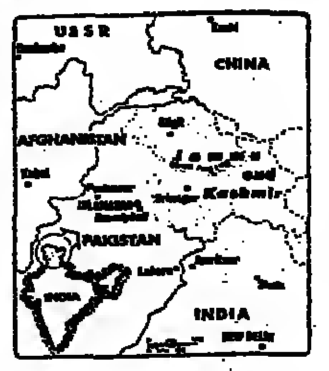
Last night the Indian Government postponed a visit to Islamabad by the Information Minister planned for later this month, in retaliation for Pakistan last week cancelling the visas of two Indian airline employees working in Lahore. India has also protested to Pakistan about China helping to build a new runway at the airport in Gilgit Agency, Pakistan's name for its part of the disputed area.

These are the latest upsets in what one senior Indian diplomat describes as the two countries' accident - prone relationship. Mr Rajiv Gandhi, the son of the Indian Prime Minister, caused concern yesterday by forecasting a Pakistan invasion of Kashmir "within a year." His mother is preparing for a general election by next January and every move she and her supporters make, including recent efforts to overturn the Kashmir state Government needs to be seen in that context.

The argument over Kashmir is complex. There is a "line of control" or temporary border which has operated since the 1965 war, but India claims the whole 222,200 sq km area as its territory, disputing that Pakistan should have any of the area it controls at the moment.

The border runs across the area between the mountain holiday resort of Gilgit in Pakistan and Srinagar in India. At this time of the year the climate is bitterly cold with sleet and snow and muddy streets, but in summer the houseboats of Srinagar and other less well-known resorts provide a cool retreat.

Various extreme groups with political and religious bases are working at home and abroad to change the status of the area. The Jammu Kashmir Liberation Front, with its UK headquarters in Birmingham, is one of them. Whether the Kashmir Liberation Army which claimed responsibility for the Birmingham kidnapping is a splinter group of the Front or part of it was not known in New Delhi last night.



The Front has made the same demands before — holding a referendum on which country the area should belong to and the release of Maqbool Bhatt, the Front leader, who is in prison sentenced to death for crimes committed in the late 1960s. Last night Mr N. G. Goray, former Indian High Commissioner to the UK, said: "As far as I know, this team has been active in the UK for many years. They also threatened me when I was the High Commissioner and their demands were the same."

In addition to politically-based organisations like the Front, there are also extreme Moslem groups in Kashmir, which want the part-Moslem, part-Hindu state to break away from Hindu-controlled India, and become part of Islamic Pakistan.

The current bout of political problems in the state started early last year, with the death of 77-year-old Sheikh Mohammed Abdullah, then Chief Minister, who was known as the "Lion of Kashmir."

He has been succeeded by his son, Dr Farooq Abdullah, who infuriated Mrs Gandhi by failing to link up his regional Ruling National Conference Party with her Congress I Party in elections last summer,

There has been criticism in New Delhi that he has been destabilising the area by encouraging pro-Pakistani Moslem activists. This and other complaints gave Mrs Gandhi a reason to try to unseat him.

Yesterday the Congress I opposition in Kashmir tried to embarrass Dr Farooq during the state parliament sitting with veiled threats about the activities of secessionists. This brought an outspoken condemnation of the Birmingham murder from him as a "heinous crime."

So, even while the Indian Government was mourning the diplomat's death with official statements, messages to the family, and a "condolence meeting" in Government offices, political friction continued to build up.

Japan pledges more open market

BY JUREK MARTIN, FAR EAST EDITOR, IN TOKYO

JAPAN'S PRIME Minister, Mr Yasubiro Nakasone, yesterday formally pledged that his Government would continue to try to make the domestic market more open to foreign goods and financial services.

Neither he, nor his ministers, most of whom also made policy speeches marking the start of a new parliamentary session, sketched in new details of measures under consideration.

But the Prime Minister made it clear he expects a further market-opening package to be ready in about three months.

Though this is likely to include, as most Japanese "packages" do, measures the Government has already promised to undertake, it is bound to address some of the stickier issues of bilateral trade friction with the U.S., especially on agricultural products.

Other points yesterday included the formal admission of Mr Noburo Takeshita, Finance Minister, that the Government would need to float new bonds to cover those maturing next year. This constitutes public acknowledgement of what has long been obvious—that a pledge by former Prime Minister Suzuki to end such deficit financing by 1985 has become a dead letter.

Mr Toshio Komoto, Director of the Economic Planning Agency, also conceded that real economic growth in the fiscal year beginning in April might be larger than the official 4.1 per cent forecast.

But the overall tenor of Mr Nakasone's speech was one of political caution. Saying he had been "sincerely chastened" by the results of last December's elections, he stuck close to the conventional script by concentrating on "political ethics," administrative reform, including de-nationalisation, cutting the Government's deficit, and promoting changes in the educational system.

He also skirted such sensitive issues as the level of defence spending and re-writing the constitution to allow for an enhanced defence role.

His main point was that "only a country such as Japan, which does not possess nuclear weapons and has a moderate and exclusively defensive capability, can argue persuasively for peace and disarmament."

AP adds from Tokyo:— Japan's air Self-Defence Force has started studying a plan to develop an advanced jet-fighter employing the latest "stealth" technology to obstruct detection by enemy radar, the Asahi Shimbun newspaper said yesterday.

Note of caution on West's involvement in China

BY ANDREW GOWERS

A NOTE of caution on the opportunities for the West implied by China's economic modernisation drive is sounded in a report published today.

While conceding that the Chinese market possesses "enormous potential for Western involvement," the report,* published by the independent London-based Institute for the Study of Conflict, points to a number of problems which may limit or curtail investment and trading opportunities there.

They include:

- Inadequate infrastructure, particularly the poor transport facilities.
- Supply bottlenecks in raw materials, and especially steel. The report says: "If China's domestic steel industry does not increase output substantially to maintain industrialisation, steel imports will have to be increased, necessitating the expenditure of foreign reserves and further jeopardising modernisation."
- Confusion over economic policy. The study says "contradictory signals" are emerging from Peking over the respective roles of central planning and the free market.

Publication of the report follows statements from the Chinese Government indicating increasing openness to imports particularly of foreign technology. Mr Yuan Bao Hua, vice-chairman of the country's State Economic Commission, said in Switzerland 10 days ago that China expects to conclud about 1,000 contracts worth *approximately £713m* with foreign companies this year.

In the near future, the study says, most chances for Western contact with China will occur in high technology and training, particularly involving the four Special Economic Zones in the south and the Yangtze Delta Economic Zone around Shanghai.

* *China's Modernisation: Prospects and Problems for the West by David Phillips. Institute for the Study of Conflict, London.*

Chad effort by Cheysson fails

A three-nation African trip by M Claude Cheysson, French Foreign Minister, has failed to produce n new date for reconciliation talks between warring factions in Chad, French officials said yesterday.

M Cheysson returned to Paris on Sunday night after n four-day trip that took him to Chad, Ethiopia and Libya AP

Ethiopia expels envoys

Ethiopian authorities have expelled several diplomats from the U.S. embassy in Addis Ababa, according to other diplomats, Reuter reports from Nairobi.

General Motors overtakes BL in sales race

BY KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT

GENERAL MOTORS (GM), the Veuxhall-Opel group, overtook BL, the state-owned manufacturer, for the first time in January, according to monthly car sales charts just published.

GM, the world's largest automotive group, captured an 18.68 per cent market share compared with BL's 17.98 per cent. Ford remained top manufacturer with 28.1 per cent

GM introduced a special dealer discount incentive scheme for January and February involving extra bonuses of £135 on Astra and Cavalier models and low-cost finance on Novas and Chevettes, all supported by a £8m advertising drive.

To encourage dealers and their salesmen to keep up the momentum of last year, when GM's market share rose from 11.7 per cent to 14.6 per cent, the group is offering a range of personal incentives, holidays in Hong Kong for dealer principal s, diamond rings for their wives and holidays in Spain for salesmen if agreed targets are reached.

GM also imported many more cars from its continental plants to meet last month's objectives. Its UK factories supplied only 40 per cent of the cars registered last month against 49 per cent in January 1983.

BL's volume car subsidiary, Austin Rover, has its own special dealer incentive programme covering the first three months of 1984. That offers up to £500 in extra bonuses on some Maestro models and £750 extra on most Ambassadors for dealers who meet agreed targets.

Austin Rover said its January results showed an improvement in both market share and units sold compared with January 1983.

BL's penetration increased last month from 18.94 per cent and unit sales from 28,025 to 29,094 compared with January 1983.

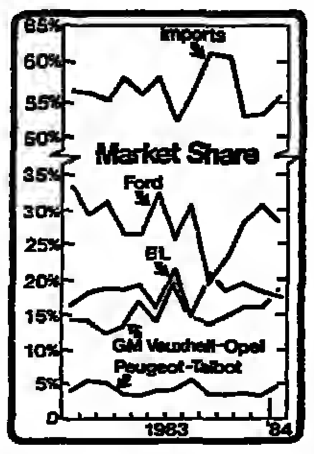
GM's performance showed an improvement from 14.48 per cent in January 1983, and its progress once again seemed to be mainly at Ford's expense. Ford's market share slumped by 5.7 percentage points, from 33.87 per cent, and the Vauxhall Cavalier pushed the Ford Sierra into third place in the list of best-selling cars.

However, there is no sign yet of Ford introducing an extra incentive campaign of its own. The group stopped giving dealers extra bonuses last September in an attempt to lead the industry back to more orderly marketing.

Some of Ford's rivals assume that the company will not join in the fray again until April, when Austin Rover launches its LM11 saloon, to be called the Montego, which will compete head-on with the Sierra and Cavalier.

The Society of Motor Manufacturers and Traders said yesterday that the bad weather over much of central and northern Britain led to a drop of 2.17 per cent in total car sales last month to 161,844. Sales were, nevertheless, at their second-highest January level since 1973.

Importers took 55.8 per cent of the January market compared with 56.94 per cent in the same month last year.



Surge in credit funds boom in retail sales

BY MAX WILKINSON, ECONOMICS CORRESPONDENT

LAST YEAR'S consumer boom in British shops and stores was largely funded by credit and hire purchase.

Official figures published yesterday show that the total amount of hire purchase and other consumer credit outstanding at the end of the year had reached £14.3bn – some 34 per cent more than at the end of 1982.

They showed that total new credit advanced in 1983 was £10.5bn, about 18 per cent more than in the previous year.

The fastest increase was in hire purchase – credit advanced by finance houses and other specialist organisations. This amounted to £6.84bn last year, 21 per cent more than in 1982.

The figures showed that credit demand was still buoyant in December when a record £978m was advanced. In the last three months the increase in new credit was 8 per cent more than in the previous three months.

The strong hire purchase figures may be a continued response to the easing of restriction in the summer of 1982, at a time when the Government was anxious to stimulate a recovery.

However, consumers have also been increasing their house mortgages at a substantially faster rate than the increased value of the housing stock. It is widely believed that much of this subsidised borrowing has been leaking into the purchase of consumer goods.

In the Lloyds Bank Economic Review published yesterday, the group's economic adviser, Mr Christopher Johnson, estimates that the total debts of households have risen from an average of 40 per cent of income in 1970 to 60 per cent and may rise to 65 per cent this year.

At the end of last year he estimates that the average household had debts of £5,400 after subtracting assets. The average mortgage was £9,100 and the average amount of consumer credit outstanding was £950.

Last year household savings are estimated to have more or less balanced debts. This year, he expects the average household to have more debt than savings.

The rise in debt has been one of the main factors which sustained the consumer-led recovery since the beginning of last year.

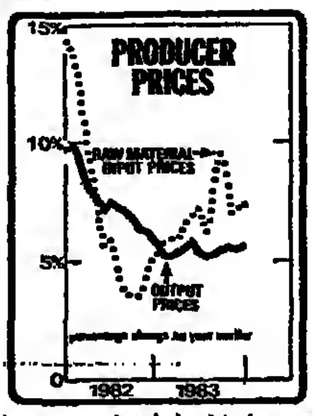
Revised retail sales figures for December, also issued yesterday, underlined this point. They confirmed that the total volume of retail sales in 1983 was 5.7 per cent higher than in 1982.

They also showed that the biggest increase in business was in the household goods sector where the volume of sales in 1983 was 11 per cent higher than in the previous year. Another firm sector was clothing and footwear in which sales rose by 10.5 per cent in volume between the two years.

Industry's raw material costs show 1.1% rise

BY OUR ECONOMICS CORRESPONDENT

THE PRICES for industry's raw materials and fuel rose by 1.1 per cent between December and January. But the rise over the 12 months to January was little changed at 7.3 per cent, compared with 7.2 per cent in December.



The latest figures from the Department of Trade and Industry yesterday also showed that industrial selling prices are still rising at a moderate rate.

The rise in output (selling) prices in the 12 months to January was 5.7 per cent, compared with 5.6 per cent in December.

The highest inflationary pressure seems to be in the food, drink and tobacco industries, where the cost of fuels and materials rose by 1.6 per cent between December and January. In the 12 months to January their input costs rose by nearly 9½ per cent.

However, the selling prices of the food, drink and tobacco sector rose by only 5½ per cent over the 12 month period.

The continued moderate inflationary pressure from costs, other than wages, has helped to increase optimism that the Government's forecast of an inflation rate of 4½ per cent by the end of the year may prove correct.

Average earnings have been rising at an underlying annual rate of about 7¼ per cent. But this increase is offset by productivity gains which are generally expected to continue if the recovery keeps going.

Sharp drop in sales of tranquilliser drugs

BY CARLA RAPOPORT

BRITAIN's consumption of tranquillisers dropped sharply last year. That was largely a result of the increasing reluctance of doctors to prescribe them.

UK prescriptions of the anti-anxiety drugs dropped by about 15 per cent in 1983 to about 18m. That is greater than the total drop recorded between 1978 and 1982, which was put at 13 per cent for the five-year period.

"It is a dramatic decline and a figure we very much welcome," Dr Frank Wells of the British Medical Association said. "The message that people need not be dependent on these drugs is getting through."

The Office of Health Economics, the industry-backed research group that supplied the figures, said many of the best-known tranquillisers such as Librium and Valium had been on the market for many years and were no longer big money-spinners for their producers.

Hoffmann-La Roche of Switzerland, one of the world's main producers of tranquillisers, said: "We have realised for some time that we need to be broader-based."

Figures by stockbrokers Wood, MacKenzie suggest that use of tranquillisers also dropped sharply in the U.S. last year. Sales of Librium fell by 18 per cent in the first nine months of the year.

Talks on market rules

BY OUR CITY CORRESPONDENT

MAJOR CHANGES for the restructuring of the London stock market are to be discussed today by the ruling council of the London stock exchange.

One of the central parts of an agreement reached with the Government last summer for the deregulation of the Stock Exchange is to be discussed at the meeting. This is the dismantling of the stock exchange's rules which set minimum scales of commission on transactions carried out in the market.

A pre-condition made by the Government for deregulation was an undertaking by the exchange that it would dismantle its minimum scales of commission by December 1986.

UK NEWS

UK buys Amsterdam refuse as cheap fuel

By Maurice Samuelson

WITHIN the next few weeks, 100 tonnes a week of urban refuse from Amsterdam will start to be imported into Britain.

It will be in the form of small, processed pellets to be burned as cheap fuel in an industrial boiler at Southend, Essex.

The material, known as RDF (refuse-derived fuel), is beginning to emerge as a realistic competitor to coal at a time when coal is itself trying to recapture the industrial market it lost 30 years ago to oil.

Its arrival in Britain coincides with the accumulation there of record stocks of coal. It is being imported by the Associated Heat Company (AHS), which is headed by Lord Ezra, former chairman of the National Coal Board.

AHS specialises in operating steam-raising boilers for industrial and commercial companies. It seeks what it regards as the cheapest fuel on behalf of its clients and is showing increasing interest in the potential for burning processed waste.

AHS is thought to be paying about £26 a tonne for the pellets from the Ikova company's pelletisation plant, opened nine months ago in Amsterdam.

RDF pellets have a calorific value about two thirds that of industrial coal, but their cheapness helps to outweigh the advantage of coal, which costs more than £50 a tonne in Britain.

The technology for producing RDF pellets is claimed to be most advanced in the UK, where they are produced at plants run by local authorities in Doncaster, Newcastle and Eastbourne.

Despite the UK's lead in the technology of pelletisation, the country is far behind in the proportion of refuse it uses es fuel. According to the Energy Department, the UK has some 30m tonnes a year that could be usefully used for energy, with a heat equivalent of about 12m tonnes of coal, or 22 per cent of the total fuel consumed by industry.

However, the UK converts only 5 per cent of its waste into energy, compared with more than 50 per cent in France and West Germany and 75 per cent in Denmark. Most of the rubbish used as fuel in Europe is burned in shredded or powdered form for district heating schemes, sometimes combined with power generation.

Lloyd's agency under scrutiny

John Moore, City Correspondent, outlines a fresh investigation within Lloyd's which could have wide implications for the London insurance market.

A NEW investigation was launched last week by the ruling authorities of the Lloyd's insurance market in an effort to stamp out possible abuses within its community.

The latest inquiry and its findings could have wide implications for the Lloyd's insurance market and its dealings with offshore insurance groups based in tax havens, since major reforms will almost certainly be triggered by the investigation.

At the centre of the latest investigation is the influential underwriting agency group, Bellew, Parry & Raven. Lloyd'a investigations standing committee has asked Sir Edward Singleton, a former president of the Law Society, to take direct control of the inquiry.

Sir Edward has been asked to examine the degree of personal benefit that executives of Bellew, Parry & Raven gained through arranging business transactions for Lloyd's members whose affairs they look after with companies in which the executives had a direct or indirect interest.

It is the fourth official inquiry to be carried out by Lloyd's since the end of 1982, all of which have centred on how the market's professionals have handled money which belongs to the 23,500 underwriting members who pledge their entire personal wealth to allow Lloyd's to function. In return, the underwriters, grouped into syndicates, receive a share of the profits.

Since the end of 1982 Lloyd's has investigated allegations that $55m was misappropriated from syndicates under the management of Alexander Howden Group by former Howden executives; and allegations that $53m was misappropriated from syndicates under the management of Minet Holdings underwriting agency companies.

It has also examined the relationship of an offshore company based in Bermuda, the Fidentia Marine Insurance Company, with syndicates under the management of executives of the Brooks & Dooley underwriting agency.

The latest investigation into Bellew, Parry & Raven has been prompted by earlier findings of the Fidentia inquiry.

Last November, a 231-page report into the Fidentia case outlined the operation of a scheme in which Mr Raymond Brooks and Mr Terence Dooley, managers of the Lloyd's underwriting agency, Brooks & Dooley Underwriting and underwriters for a number of Lloyd's syndicates, traded with a company they controlled in Bermuda, the Fidentia Marine Insurance Company between 1970 and 1983.

The Bermuda-based company gained a net £6.2m from trading with the Lloyd's syndicates under their management. The amount of benefit derived was not disclosed to members of the syndicate, the investigators said in their report.

They found that money had been channelled out of the Brooks & Dooley Lloyd's syndicates in the form of reinsurance contracts which were ostensibly designed to protect the syndicates against onerous losses. Instead, the contracts were arranged with Fidentia in a way which would provide financial benefit to the Bermudian company at the expense of the syndicates.

During this inquiry, the investigators detailed the involvement of Bellew, Parry & Raven.

Bellew, Parry & Raven is one of Lloyd's larger units. It has interests in six underwriting agency companies and looks after the affairs of 540 underwriting members of Lloyd's, including those of Mr John Swan, Prime Minister of Bermuda, who is a member of the syndicate.

In addition, it provides underwriting services for an additional 450 members of Lloyd's. The members are grouped into 18 syndicates. It also has an insurance broking company and interests in Bermuda.

Investigators in the Fidentia inquiry found that Bellew, Parry & Raven interests were used by Mr Brooks and Mr Dooley as a conduit to channel money to Fidentia.

In Bermuda, Bellew, Parry & Raven has an interest in the Midland Reinsurance Company. Shares of the Midland, according to the group, are held in trust for the benefit of the children of directors of Bellew, Parry & Raven. The Fidentia investigators concluded that Midland "fell broadly under the control of Bellew, Parry & Raven."

Through the broking company of Bellew, Parry & Raven, Mr Brooks and Mr Dooley were arranging reinsurance contracts for their syndicates with the Midland, which in turn passed the bulk of the money in the form of reinsurance to Fidentia.

Bellew, Parry & Raven also provided management services to Fidentia in a joint venture management company with the Bermuda Fire and Marine insurance group, according to the investigators.

Fidentia investigators observed in their report that the Midland, which was formed in 1970, had, by 1975, become "involved in less conventional investments with the purchase of an apartment in France for £30,000 and the commitment to buy the Bermudian placing broker Waldron Company for some £300,000."

In 1975, the capital of the Midland stood at £50,000 and net equity at £160,000. It was accepting annual insurance premiums of more than £1m.

The investigators concluded that the security provided by the Midland "having regard to the size of the transactions into which it was interposed" was "inadequate." Midland may have been used to mask the presence of Fidentia, they observed.

After the Fidentia report Lloyd's decided to examine the whole range of companies which may be under the control of Bellew Parry & Raven executives, and which may have traded with insurance syndicates under their own management.

It is an attempt to establish the amount of money which has flowed out of the syndicates to companies owned or influenced by three directors, Mr Arthur Grattan-Bellew, Mr John Parry and Mr Frederick Raven.

In the group'a last brochure to its members, Bellew, Parry & Raven said its agency companies "transact business both with each other and other non-Lloyd's companies in which the founder directors and their families have interests. As a result, the founder directors and their families may derive some financial benefits from these related transactions." But the interests were not identified.

Lloyd'a will establish the degree to which they have gained benefit, but it has already received a recommendation from the Fidentia investigators that related party transactions should be banned throughout Lloyd's.

Control by syndicate underwriters over reinsurance companies "will almost inevitably give rise to abuses of the underwriter's fiduciary duty to his syndicate." Such links and the suspicions which could arise from the relationships were "potentially damaging to the outward appearance of rectitude to the Lloyd's market," the investigators said.

Investment grants 'should be reduced'

BY ANATOLE KALETSKY

THE GOVERNMENT should reduce the subsidies which it gives for foreign companies to invest in Britain and consider a more selective approach to the promotion of all investment, whether foreign or domestic. These are the conclusions of Chatham House paper on inward investment published today by the Royal Institute of International Affairs.

The report finds that most multinational firms in Britain do not regard subsidies as the most important factor in their choice of location. It concludes from case studies that "the incentives being offered may be too generous in the sense that projects would have proceeded even if the incentives had been lower."

A case study of the UK pharmaceuticals industry, in which foreign-owned companies hold a market share of over 66 per cent, shows that Britain's main attraction to multinationals lies in the "excellence of its scientific skills," not in its financial incentives.

Britain accounts for 11.5 per cent of worldwide pharmaceutical research, compared with only 5 per cent of worldwide drug production – a ratio of research to output exceeded only in Switzerland.

This orientation towards research, the paper says, has led to the creation of "high quality" jobs, which are more desirable than the low-wage employment generated by more capital-intensive forms of production employment. The pharmaceutical industry could be "a precursor to the type of high-technology industry the UK is seeking to attract."

The study states that Britain's possession of the "scarce intellectual resources" which are an essential condition for such high-quality industrial development is a direct result of public investment in universities and research laboratories.

Far from gaining the economic rent from the use of these resources, the study says, Britain is offering unnecessary subsidies to foreign companies which would probably have come to the UK anyway.

The paper suggests that, instead, the Government might do better "to give the University Grants Committee equivalent resources to help maintain and expand our intellectual effort in biotechnology and related studies."

Another case study, of Japanese investment in colour television manufacturers, shows that inward investment benefits the UK economy, mainly by providing "a competitive spur to greater efficiency in the indigenous industry." Again, the research concludes that the level of grants paid to the Japanese companies was "not crucial."

The report's general conclusion is that the main type of investment which would be lost to Britain if government incentives were reduced would be capital-intensive, assembly-type operations with relatively low skill requirements.

Report urges better UK oil services

By Dominic Lawson

THE BRITISH content in capital expenditure on North Sea developments will be reduced unless there is a sharp improvement in the competitive position of UK shipbuilding and conversion facilities, according to a report published yesterday.

The report, by stockbrokers Hoare Govett, and Smith, Rea Energy Associates, analyses the increasing development of marginal fields in North West Europe. It defines marginal developments as those with a rate of return on the borderlines of commercial acceptability.

The report forecasts that the investment in marginal fields in North-West Europe up to 1990 could be about £12bn. Annual demand for equipment and services in these developments will rise from £1bn in 1984 to £1.75bn in 1990, and between 75 per cent and 80 per cent of these sums are likely to be spent on developments in the North Sea.

According to the report the most important element in the present surge in activity, was the tax concessions made to the oil industry in the last budget.

The report argues that there will be little new technology involved in marginal field development in the immediate future. But it says that a lack of proprietary UK technology may result in foreign-controlled companies becoming the initial profit beneficiaries.

THE ARTS

London Galleries/William Packer

Here we go round the mulberry bush

The art critic's working round, as any other, has its fixed points and rhythm. I get up in the morning and go to bed at night, would usually work at home until eleven or so on any half normal day, and must always get my copy to my anxious editor before one o'clock on a Monday afternoon. But out and about, on the town and on the hoof, an easy regularity of dutiful research is something more wished for than ever likely to be achieved.

Such a life has its moments, and who would wish the art world less civilised and sociable than it so conspicuously is: even a comparatively quiet time in the season, such as this, will bring in many more invitations to private views, in London alone, than can ever be taken up (running steadily at the moment by my far from exhaustive count at some 15 to 20 a week, and crammed for the most part into the three middle days), and when things get busy there can be as many and more in a single evening. There are times when self-denial has let me down, or I am feeling even more like the White Rabbit than usual, when I do envy my colleagues what I take to be their more certain and reliable, though no less demanding, routines of video tape and broadcast schedule, and a comfortable armchair in Wardour Street.

The point is not so much the parties and private views themselves, which are hardly the best of occasions for the calm consideration of the work they celebrate, but rather that they proclaim that work is now there to be seen at one's pleasure, if one can get along at all—and for the critic, with so much to see, and so many necessarily arbitrary and unfair decisions to take, it is the getting along at all in the working day that is the problem. Thus it comes about that further lures and snares are put in our professional way, and the sensible device of the press view, so much rarer even a year or two ago, becomes the pleasant and convenient commonplace around which to organise a day.

Last Thursday, for example, was not entirely untypical a day. Out of the house about 11.45 and up on the Northern Line to Charing Cross and the National Portrait Gallery, and rather late for the unveiling of Humphrey Ocean's portrait of Paul McCartney, Ocean himself by then beset by photographers but extricable for a moment for a quick word. He was the winner of the 1982 Imperial Tobacco Portrait Award, with the McCartney commission part of the prize, and the finished painting now goes into the Gallery's collection. It hangs at the centre of a small display of related and supplementary material (until April 29), for Ocean travelled with Wings on a tour of America in 1976.

The image is quite small, a half-length study painted out of doors in natural light, and, given the assertive nature and large scale of his winning "Lord Volvo and his Estate," surprisingly reticent. The particular interest lies not so much in the sitter, who is familiar enough, but in the demonstration of the working process and the peculiar quality of the chosen medium. McCartney sat to Ocean for some thirty hours in all, and the work clearly registers this lengthy and direct consideration of the live model rather than the use of any secondary reference. And by this process the artist evidently found it necessary to abandon, as inadequate to his needs, his habitual acrylic paint and turn to oil. The first study, in acrylic, points the difference, the paint light, flat, essentially superficial, each stroke hermetic, the final work by contrast so much more rich and dense in the quality of its paint, so much more subtle, resonant and suggestive: altogether an undemonstrative but very successful piece.

Lunch at the Gallery courtesy of John Player impossible to accept, and on to Long Acre at a brisk walk, to the Paton Gallery in Langley Court: there new work by Rhonda Whitehead, very pale and refined schematic images derived from field marks and patterns, the gentle perspective of the plough, and the close textures of rows of corn and stubble. The works on paper are especially successful and, whilst retaining their clear reference to the natural world, relate also to the extreme abstracted and very beautiful simplicities of Agnes Martin, some of which, by a happy chance, are currently to be seen at the Mayor (Paton until February 25: Mayor until March 16). Lunch in progress but again refused, and so next door to Anne Berthoud, and new paintings by Charlotte Verity that had opened the day before: substantial still-lifes, an object or two, scissors, a glass perhaps, on a plain draped table in a large clear space: careful, straightforward, confident things (until March 10).

Roger Taylor

Humphrey Ocean with his portrait of Paul McCartney, now on show at the National Portrait Gallery.

On again, already late but not too late, up beyond Charlotte Street to Tottenham Mews beside the Middlesex Hospital, and only now to lunch at the Juda Rowan Gallery. Since long before he joined forces with Annely Juda, Alex Hood's lunches have stood high amongst the more particular treats of the art life—three or four tête à tête, and the conversation as free as it is wide ranging, and as likely as not of anything but art, the only rule an absolute confidentiality, my fellow guests, well . . . I fear I laughed even more than usual. More to the point, John Edwards occupies the lower gallery with his new paintings: the abstract figures and motifs, the tees and crosses, now giving way to generalised but still specific images and symbols, the glass and the bowl of fruit and the palm frond above and behind. This new development still has some way to go, perhaps, but it bespeaks an infinitely extended scope for a natural expressionist who has yet, whilst teasing himself towards it, has been ever reluctant to abandon the recent orthodoxies of abstraction. But the spirits of Matisse and Bonnard seem very active, and are benign mentors.

And upstairs, Garth Evans shows his latest batch of relief sculptures, exquisitely refined and engaging articulations of simple sheets and lengths of laminated wood, cut, sliced, bevilled, the elements turned, inverted, stuck together, rubbed down and delicately stained, with the nicest discretion and formal wit: lively abstract figures dancing elegantly along the wall, beautifully resolved and absurdly satisfying (Juda Rowan until February 25).

But that was not at all the end of the day: next door now to Angela Flowers, and new work by Boyd and Evans, not my favourite work, but serious and consistent, with evidence of a move away from the air brush, and the easy surrealism of the collage reference, to a more direct and adventurous statement on a very large scale—again development to monitor (until March 3).

Then south again, through Soho and Piccadilly Circus to the Mall and the I.C.A., for new paintings by Derek Jarman, and furniture, which I would particularly recommend, by Andy, whose chairs, thrones really, tables and beds, are most beautifully and delightfully worked out of well worn timber retrieved from skips and building sites (until March 18). Home before seven, and so much for Thursday.

Two weeks before, it had been the prospect of something more than lunch that had taken me away from the Art Fair at the Barbican on a Friday morning, and back to Bond Street. Agnews' Annual Watercolour Exhibition, this the 111th in 121 years (until February 24) as always gives us an enjoyably inconsequential run down the English watercolour tradition in practice from the middle of the 18th to the end of the 19th centuries. The examples range from the slight and even trivial, a sketch-book note here, an amateur pleasantry there, charming polite accomplishment to be had for £100 or so, to things so elevated and superior—Turner of course—*that we hardly dare*, though we are invited, to ask the price.

Emil Gilels/Festival Hall

Max Loppert

Emil Gilels was on superlatively fine form for Sunday afternoon's recital, and so a programme that in advance bore a somewhat disparate look was forged into an experience unified by quality of performance. To the non-Skryabinite, the early F sharp minor sonata, Op.23, and the late Five Preludes, Op.74 might have promised a somewhat negative aspect to the concert opening: but it is in Gilels' power to make Skryabin devotees, or at least sympathisers, of us all.

An attitude of serene detachment informs the pianist's current approach, a way of appearing to let the music play itself while in fact guiding it with the meticulousness of supreme technical control. The lapping inner parts of the sonata slow movement, each figure graded to float the melody on a wave of tender introspection, provided a small example of Gilels' special sophistication in this music; this, above all, lent freshness, grace, and unsuspected dignity to a work that in lesser hands invariably declines into self-indulgence and stertorous repetitiousness. The preludes, five gnomic abstractions plucked from and lapsing into sudden silence, were each a miracle of technical understatement, in which the sense of Gilels' immense physical presence at the instrument grew ever more acute. Prokofiev's Third Sonata, delivered with a deceptive simplicity of inflexion, married the detached vein to unearthy lightness in bravura passages—this was virtuoso playing far beyond the normal understanding of the phrase.

All this was prelude to the *Hammerklavier*; and it says much that the earlier part of the concert was not swept into inevitable ignominy by the glory of the later. I count this one of the handful of continuously meaningful Beethoven performances of my experience—and, therefore, as awesome to describe as it was elating to sit through. The New Grove wisely comments on the intensified "sense of stillness and inner concentration" of Gilels' playing in recent years; it was this, evidenced in a musical surface at once austere and radiant, in a determination to let the music flow without sermonizing interruptions, that translated the sonata into the almost unimaginable (because so seldom achieved) Beethoven paradox—suspended animation which is at the same time unstoppable forward movement.

There was room for detailed point-making (the dramatic punctuation of the scherzo close with repeated B naturals derived startling urgency) which was never highlighted; everything was directed toward the finale.

New York Theatre/Frank Lipsius

A remembrance of times past

When Colleen Dewhurt had her name inscribed on the wall of the Uris Theatre as induction into the Theatre Hall of Fame, she commented that now all she needed was a job. If a dearth of plays disappoints theatre goers and challenges playwrights, it deprives actors of a livelihood—except when they are as resourceful as Geraldine Page, who has organised a company round her considerable talents and Laurence Rockefeller's equally considerable funds.

The Mirror Company has already moved from its original loft to the theatre in St Peter's Church under the Citicorp Centre. Though more comfortable, the elegant new venue cannot compare to a loft for performances of Clifford Odets's *Paradise Lost*, a Depression-era family drama originally done for the left-wing and idealistic Group Theatre, which would be in a loft today even if it wasn't then.

Originally not well received, *Paradise Lost* was one of Odets' own favourite plays and caused him to open a correspondence with George Bernard Shaw to berate the New York critics. Odets fell in love with his own words, which were voluminous and clever but written for cliched characters. Besides the poor worrying parents and nosy neighbours, the play also boasts Ben, an Olympic champion complete with a statue and medals that had to be hocked at the pawnbroker. Now needing a job, he finds work so demeaning that he turns into a criminal while still just a confused innocent kid who says, "What did I want? To be a great man? Get my picture on a postage stamp?"

Written after Odet's success with *Awake and Sing!*, these characters are mere sitcom versions of their previous incarnations. Geraldine Page gives a sardonic reading of the mother Clara while Tom Brennan makes two marvellous versions of a misanthrope, but the others who try to capture growing diffidence in the slow slide from the middle classes to poverty just sound as though they are fumbling their lines.

The company's second play, *Inheritors*, goes back even earlier to the great American Westward expansion, when one generation's homestead was the next generation's city. While in our generation such men would be labelled "property speculators," in those days they represented certain ideals. Or so believed the playwright, Susan Glaspell who seems to expect the audience to appreciate futility dressed up as idealism. The production is also diminished in proportion to Miss Page's absence, which is far too great here where she is only an aunt. Besides a need for acting closer to Miss Page's calibre, the company should not settle for reviving lumbering old plays with juicy but essentially vapid parts.

Julian Beck and Judith Malina, who trade under the name "Living Theatre," have been in business for almost 40 years. Bill Haley used to say that every country went through its "Bill Haley stage" on the road to rock 'n roll sophistication. The Living Theatre takes itself to be the litmus test of liberal theatrics where the actors still pretend they are going to beat your brains out as they roam the aisles. They also take their clothes off at the end of a performance. If these antics were once daring, they now seem coy and unappealing, and people who may have passed the liberal theatre test 20 years ago might well change their minds after seeing any of the four productions at the Joyce.

The best *that* can be *said* for the Living Theatre is that it spawned not only *Oh! Calcutta!* but also Richard Foreman, Mabou Mines and other innovative groups still working. But this is the kind of parent a child might not acknowledge publicly. For all the political cant running from invocations for living 300 years to a century-old Luddite fear of industrial brutalisation, the stage seems to be little more than a commune comprised of the Becks and an ever-changing cast of young exhibitionists.

Beck and Malina get the good lines and the dozen young people hover round them like drones in a beehive, whether the vehicle is Beck's own *The Anthropology of Sleep* where he is a professor and the cast cats, or Ernst Troller's *The One and the Many*, where

Pamela Reed and John Glover in Criminal Minds

Malina is a great principled radical and the cast workers off a Communist poster. As Creon in their undignified but not uninteresting version of Brecht's *Antigone*, he leers at the audience like a Jack O'Lantern.

Beck is no longer a radical; he is just a dirty old man. The company would be pitiable had not the French government decided to give it its own theatre in Paris. This well-meaning Socialist gesture can ultimately only spark a revival of Corneille and Racine.

The Production Company has assembled a marvellous cast for *Criminal Minds*, a slight play in the mode of Sam Shepard in which three petty criminals hole up in a miniature golf course on the coast of Florida. Karen Schulz's eccentric but delightful set sports eight-foot high papier maché dinosaurs and wires cleverly strung between telephone poles painted on the walls. Into this kooky setting walk two men who have just left jail and the girlfriend of one of them. The unattached criminal has a rare disease that gives him convenient lapses of memory. It is a clever but unbelievable disability, since it serves only to prolong a plot that revolves round his figuring out just what his crime was.

The acting brings out as much Sam Shepard as Robin Swicord's sometimes funny but meandering script will allow. Pamela Reed looks and sounds like a social worker's dream "bad girl," who played in her boyfriend's porno films and won a car chase against the Florida police before landing in this patch of colourful desert. Leo Burmester is a serious John Balushi, with the same mobile expression and menacing bulk. John Glover valiantly tries to give a personality to the disconcerting soul with an arbitrary set of remembered thoughts.

Ian McKellen has the actor's work problem licked with his solo show, *Ian McKellen Acting Shakespeare*, which he originated at Edinburgh in 1976 and used more recently to raise funds for the replica Globe Theatre. Now in a commercial run produced by Arthur Cantor, the show is the only way New York will see Shakespeare for a while after the RSC's exciting *All's Well That Ends Well* did such a bad box office last season. It may be a long time again before Shakespeare appears in New York with the elegant cadences and rich texture of an Ian McKellen at the refurbished Ritz.

The actor must have discovered that his audiences like familiar scenes because there are all the speeches that would fill an O Level examination. But his Henrys are fresh and steeped in the actor's own background and evident interest, making Hal and Falstaff two old friends, each visible as McKellen speaks their words. He shuffles across the stage imitating Shakespeare at 23 arriving in London and not sure where to find the theatres. Perhaps he is his own course, though more valued for his acting than his teaching.

Music Projects/Riverside Studios

Andrew Clements

The ability of Music Projects/London and its conductor Richard Bernas to come up with meaningful and attractive programmes for their late Sunday afternoon series at Riverside Studios continues to impress. Yesterday's explored the concept of the concerto in contemporary terms: Webern's concerto Op 24 provided the starting point, Ligeti's Chamber Concerto the avant-garde classic, with Xenakis' *Atrées* and the first performance of Richard Barrett's *Essay on Radiance* adding further weight.

But what seemed so good in theory proved rather desultory in performance. The large space at Riverside aches to be filled by new music, but players in it seem curiously distanced from the audience, and extra strength and purpose are required to communicate fully. In, say, the Elizabeth Hall Ligeti's Chamber Concerto is bright and vibrant; here, thrown upon a dead acoustic, it seemed lifeless, a string of tricks and effects without any transfiguring magic. Webern's Concerto too was pale reflection of its ebullient self, but Mr Bernas' approach did not help; tempi were a shade too measured, the slow movement lacked clarity of line and the finale was deprived of wit.

In *Atrées* the effect of the sequence of short movements was also marred by the lack of smooth delivery; the care with which each phrase was approached conjured up the impression of a dry essay in pointillist techniques, though it was written as late as 1962, long after Xenakis had established a totally convinced and convincing style of his own. Richard Barrett is in his mid-20s and a pupil of Peter Wiegold. *Essay on Radiance* was written between 1981 and April last year, and is a substantial 15 minutes of music for eight instrumentalists with an important and sometimes overbearing part for electronic organ. The composer's programme note empbasises the ritualistic aspects of the work and reveals a debt to the *Isa Upanishad*, but at a single hearing the form seemed rather crudely generalised, and the instrumental writing over elaborate and often critically miscalculated.

National Art Library closure

The National Art Library at the Victoria and Albert Museum is closed for approximately six weeks while the heating system is replaced. This is in addition to the previously announced programme of redecoration and repair, also scheduled to start in February.

Ballerina/Churchill, Bromley

Michael Coveney

Like *Jean Seberg*, *Ballerina* in Bromley has no interval. Its playing time is only one hour and three-quarters, but you spend half the evening wondering how many people would have returned to their seats if there *had* been an interval.

Dorothy Tutin, who comes more to resemble a mittel European Celia Johnson figure by the year, plays Edith the mother of Malin. Malin is an autistic child whose disability, as presented in the serenely terpsichorean gestures and movement of Tamara Steele, a fully grown actress, seems less pathetic than charming. Miss Tutin occupies a Norwegian hotel bedroom of transparent fawn wallpaper and echoing memories designed by Marty Flood. She is going deaf. By the end of the play she might well be stone deaf, although I admit to not having quite followed the drift of Peter Coe's listless production.

The play is by Arne Skouen, an Oslo-based journalist and author whose own second daughter was born psychotic. Which is not at all the same thing as being autistic. But the problems of disability, insofar as they impinge on domestic stability, are obviously problems of which Mr Skouen can write with authority.

This facility, alas, does not in itself guarantee good theatre. Malin pirouettes delicately around the stage, at one point relapsing into a dying swan routine, and all of this to the same, melancholic and finally irritating piece of Satie piano music. The social side issues touched upon include the angst of the single parent (Miss Tutin's marriage to the colourless Birger of Aubrey Woods has hit the rocks), the value of child psychiatry, the self-pity of Malin's brother (a role hopefully but futilely animated by the eager Peter Bourke), and the investment of parental ambition in children unequal to such demands.

The chic American avant garde director Robert Wilson spent many years working with a teenage autistic boy and made some alarming and interesting theatrical discoveries with him. I only ever saw one of these productions, but Mr Wilson's method of extracting emotional and verbal structures from the boy's condition was extraordinary, worrying and not, one felt, at all exploitative. I am afraid the Bromley play left me unmoved, uninterested and uninvolved. It is, in the end, a remote and somewhat fey evening in the old-fashioned theatre.

Arts Guide

Music/Monday. Opera and Ballet/Tuesday. Theatre/Wednesday. Exhibitions/Thursday. A selective guide to all the Arts appears each Friday.

Opera and Ballet

February 3-9

PARIS

Die Entführung aus dem Serail conducted by James Conlon, in Giorgio Strehler's production, decor and costumes by Luciano Damiani, co-produced with La Scala, Milan. Michael Heltau as Pacha Selim and Catherine Malfitano as Constance. It alternates with Le Fantôme de l'Opéra ballet conducted by Marcel Landowski/Claude Schnitzler, choreography by Roland Petit, music by Marcel Landowski. Decor by Giulio Coltellacci at the Paris Opera (742 5750)

Hans Werner Henze's La Chatte Anglaise, a two-act opera situated in Victorian London composed to Edward Bond's libretto is conducted by Dennis Russel-Davies/John Burdekin at the Opera Comique – Salle Favart (296 0611).

Khovanstchina, conducted by Woldemar Nelsson, produced by Pier Luigi Pizzi, choir conducted by James Johnson, Orchestre Colonne in the Grand Théâtre de Genève production with Maia Plissetskaia's participation continues the Russian season at the TMP-Châtelet (233 4444)

LONDON

Royal Opera, Covent Garden: La Bohème is the only opera at the Garden this week – Ilona Tokody and Jose Carreras are the first set of lovers, followed at the later performance by Eugenia Moldoveanu and Dennis O'Neill. The conductor is John Mauceri, one of America's richest young operatic talents. (240 1066).

English National Opera, Coliseum: the long-awaited new production, by Elijah Moshinsky, of the Mastersingers is the big ENO event of the week – conducted by Mark Elder, and with a cast led by Gwynne Howell, Kenneth Woollam, Janice Cairns and Graham Clark. Last performances of the triumphant, not-to-be-missed Turn of the Screw revival; more of Traviata with Nelly Miricioiu's beautiful Violetta. (836 3161).

NEW YORK

Metropolitan Opera (Opera House): The last seasonal performance of La Traviata with Kiri Te Kanawa is part of the week that also includes Rinaldo conducted by Mario Bernardi and starring Marilyn Horne, and Peter Hall's production of Macbeth, premiered last season with Renata Scotto as Lady Macbeth and Sherrill Milnes as Macbeth. Lincoln Center (580 9830).

New York City Ballet (New York State Theatre): The company's season of mixed repertory includes performances this week of Western Symphony, Swan Lake and Concertino, Lincoln Center (870 5570).

WEST GERMANY

Berlin, Deutsche Oper: The week starts with Die Lustigen Weiber von Windsor. Der Wildschütz has Helga Wisniewska in the leading role. The revival of Lucia di Lammermoor is notable for Edita Gruberova's rendition of the title role. Madame Butterfly, sung in Italian, has Seppo Ruohonen and Helga Wisniewska. The week also includes Manon Lescaut featuring Giorgio Merighi and Teresa Zylis Gara in the main roles (34 381).

Hamburg, Staatsoper: Peleas und Melisande, performed again this season, features Judith Blegen and Russel Smythe in the title roles. The Magic Flute has Carla del Re brilliant as queen of the night. Don Carlos highlights the week with outstanding Ruggero Raimondi, Jelena Obraszowa and Luis Lima in the leading roles. Carmen has Alicia Nafe in the title role. Cosi fan tutte rounds off the week (351 151).

Cologne Oper: Wozzek, returning to the programme, is a Hans Neugebauer production. It brings together Christian Boesch in the title role and Gerlinde Lorenz as Marie. (20 761).

ITALY

Milan: Teatro Alla Scala (809 126): Tannhäuser conducted by Georges Pretre; Giselle with Italy's two top ballerinas, Carla Fracci and Elisabetta Terabust alternately.

Turin: Teatro Regio (548 000): New production of La Bohème directed by Ugo Gregoretti.

Bologna: Teatro Comunale – Teatro Delle Celebrazione (222 999): Don Giovanni conducted by Zoltan Pesko.

Rome: Teatro dell'Opera (461 755): Le Pericbole by Offenbach directed by Jerome Savary (founder of Grand Magic Circus).

هكذا من الأصل

هكذا من الأصل

APPOINTMENTS

Esso top posts

Mr Peter G. Hall, currently managing director, ESSO UK, will be elected president, Esso Norway Inc., on April 1. He will be resigning as a director of Esso UK, Esso Petroleum Company, and Esso Exploration and Production UK, from March 31. Mr Robert E. Lintott will be appointed managing director Esso UK and Esso Petroleum Company. He will have responsibility for logistics and marketing from April 1. He is currently executive director, marketing. Mr Ian W. Upson will be elected to the board of Esso Petroleum Company as executive director, marketing, from April 1. He returns to the UK after two and a half years on assignment with Exxon Corporation in New York.

★

Mr Alfred E. Singer has been appointed non-executive chairman of HUGIN GROUP, in succession to Mr Michael Shanks, who died last month. Mr Singer holds a number of other non-executive directorships, including Cannon Assurance, Equity Capital for Industry, Gestetner and Guinness Mahon.

★

THE BRICK DEVELOPMENT ASSOCIATION has appointed Mr Bob Lloyd-Jones as its director general. He has spent the last six years as the chief executive of two national organisations with world-wide activities—the Retail Consortium which represents the interests of all retailers and the British Textile Employers Association.

★

Sir Victor Garland, until recently Australian High Commissioner in London, has been appointed to the board of MITCHELL COTTS as a non-executive director. Now resident in London, he has recently been appointed to the boards of Prudential Corporation and TR Australia Investment Trust. A chartered accountant by training, he was an MP in the Federal Australian Parliament from 1969

Sir Victor Garland, joining the board of Mitchell Cotts as a non-executive director

to 1981 and during that period held several appointments as Minister, the last being Minister for Business and Consumer Affairs. He resigned his seat in 1981 to become Australian High Commissioner in the UK.

★

INSKILL, one of the Hunting Gibson Companies, has appointed Mr James Work as director and general manager. He was director and general manager for composite operations within the Pilkington Group in the UK, Saudi Arabia, and U.S.

Mr Tim Palmer who joined Dominion International Group last November as finance director, has been invited to join the board of its natural resources subsidiary, SOUTHWEST RESOURCES. Mr Michael Garvin has left the Dominion Group to pursue other business interests.

★

The following appointments have been made to the board of BRAITHWAITE AND CO. STRUCTURAL, the group's principal operating subsidiary: Mr Peter Baxter has been appointed managing director and Mr Robin Williams financial director. Mr John Stimpson, the group corporate planning director, also joins the board.

★

DYNO-ROD has appointed Mr Michael Cowler, as financial director. Mr Cowler joined Dyno-Rod in 1977, and has been actively involved in the company's development of localised mobile service units.

★

Dr Ian Berwick has been appointed director general designate of the UK PETROLEUM INDUSTRY ASSOCIATION and will take over as director general on June 1, following the retirement of Mr Douglas Harvey. Dr Berwick was managing director of Pump Maintenance.

★

Mr Oliver Jayne, former deputy director-general of the National Federation of Building Trades Employers, has been appointed chairman of the COUNCIL OF THE BUILDING CONSERVATION TRUST. He takes over from Mr Donald Ensom, the previous chairman, who has been appointed honorary secretary of the Royal Institution of Chartered Surveyors.

Midland Bank makes changes

Sir Reay Geddes will be retiring from the board of the MIDLAND BANK at the annual meeting in April. He became a director in July 1967 and has been a deputy chairman since 1978. Sir Alex Jarratt will continue as deputy chairman and the board has appointed Sir Patrick Meaney as a deputy chairman. Sir Patrick, who has been a director since 1979, will assume his new duties after the annual meeting. Sir Derrick Holden-Brown, chairman and chief executive of Allied-Lyons, has been appointed to the bank's board from March 1. Dame Rosemary Murray will be retiring from the board at the annual meeting. She has been a director since 1978.

★

Mr Wolfgang Barth has been appointed as managing director of GRUNDIG INTERNATIONAL, UK subsidiary of Grundig, the West German consumer electronics manufacturer. Mr Barth replaces Mr Richard Pears, who resigned in December.

★

WARMAN INTERNATIONAL, has appointed Mr Andrew S. Dowd as finance director. He was previously financial controller. Warman International is part of the Warman Group.

★

Mr Alan Edis has been appointed director, business and product planning for LAND ROVER. He was a director of Supra Group and managing director of Supra Automotive.

★

Mr Michael de Carvalho and Mr Richard Briance have been elected to the board of CREDIT SUISSE FIRST BOSTON.

CONTRACTS

£3m bulk storage terminal

Wymondham Oil Storage Company, a 50-50 joint venture between Mobil Oil Company and Unitank Storage Company (a member of the Tate and Lyle Group) has awarded a contract worth over £3m to DONELON/WEST for the construction of a 40,000 cu. metre capacity bulk liquid storage terminal at Wymondham, Norfolk. The terminal is designed to handle refined petroleum products to be supplied by the Department of Energy's pipeline from Mobil's Coryton, Essex, refinery, for onward distribution by road in East Anglia. The terminal is expected to be operational by spring 1985.

★

WALTER LAWRENCE (CITY) has recently begun construction of 12 three-bedroomed, semi-detached homes for the London Borough of Hounslow, at Star Road, Hounslow, Isleworth, Middlesex, under a contract worth £434,400. The buildings are to be built on a site adjacent to a new hostel for the mentally and physically handicapped. The scheme is due for completion in November 1984.

★

ETA PROCESS & EFFLUENT PLANT has been awarded a contract worth almost £1m for a seawater deaeration system on the Ekofisk water injection platform. The order was placed by Phillips Petroleum Company with Davy McKee as topside contractor. The equipment, comprising two 30 metre high three-stage vacuum deaerators, will remove the dissolved oxygen content of 2,480 tonnes of water per hour for injection into the oil field.

★

ABAY of Belgium has signed a contract worth over $17m (£12m) with the Regional Development Committee of the Sultanate of Oman for the civil works and installation of two 35 MV gas turbines with generators, two tanks for storage of substitute fuel, two power transformers and a workshop building at an electricity generation plant near Sohar City. The two turbines will be supplied by Thomassen International of Rheden (Holland). The civil works will begin in March and the electricity generation plant is scheduled for completion by April 15 1985. Financing of this project has been arranged by the Arab Fund.

★

SIR ROBERT McALPINE AND SONS has won a contract worth almost £2.4m from the Anglian Water Authority for an extension to its sewage treatment works at Wisbech, Cambridgeshire. The project comprises construction of two 24 metre diameter circular concrete sludge tanks, two 24 metre diameter circular concrete secondary settling tanks and two 23 x 125 metre rectangular concrete oxidation ditches plus ancillary buildings, pipe works and roads. Although the full period of the contract runs for 49 weeks, work on the four concrete tanks and the two oxidation ditches is due for completion in 15 weeks to give early access to the plant erectors.

★

GILBERT ASH has won contracts worth £4m. Six contracts make up this figure—Crownpoint Sports Centre, Glasgow, for the SDA at £1.2m, 14-17 Atholl Crescent, Edinburgh, for the P & O Pension Fund at £1.4m, an extension to Dunoon Grammar School for Strathclyde Regional Council at £700,000, and three rehabilitation contracts for Glasgow District Council worth £700,000. The largest project, Atholl Crescent, consists of upgrading of an existing building and the erection of an office block with car parking. Work will commence in February and will be completed within a year. Crownpoint Sports Centre comprises a two-storey steel-framed building with a metal clad roof and curtain walling, together with a connecting link to St Mungo's School. The contract has begun and will be over by November.

FINANCIAL TIMES

PUBLISHED IN LONDON & FRANKFURT

Head Office: The Financial Times Limited, Bracken House, 10 Cannon Street, London EC4P 4BY. Telex: (Editorial) 8954871. Telex: (Advertising) 885033. Telegrams: Finantimo, London. Telephone: 01-248 8000. Frankfurt Office: The Financial Times (Europe) Ltd., Guiollettstr. 54, D-6000 Frankfurt-am-Main 1, West Germany. Telex: 416193. Telephone: 7598-0. Editorial: Guiollettstr. 54. Telex: 416052. Telephone: 7598-157.

INTERNATIONAL & BRITISH EDITORIAL & ADVERTISEMENT OFFICES

Amsterdam: Editorial P.O. Box 1296, Amsterdam-C. Telex: 16527. Tel: 276 796.

Birmingham: Editorial and Advertising George Hse., George Rd., B15 1PG. Telex: 338650. Tel: 021-454 0922.

Bonn: Editorial Pressehaus 11/104 Heussallee 2-10. Telex: 8869542. Tel: 210039.

Brussels: Editorial and Advertising 39 Rue Ducale. Editorial Telex: 23283. Tel: 512 9037. Advertising Telex: 64219. Tel: 513 2816.

Buenos Aires: Editorial Edificio Sfica Piso 7. No. 74 Avenida Corrientes 456, Codigo 13.46. Tel: 3947696.

Cairo: Editorial PO Box 2040. Tel: 751482.

Dublin: Editorial 25 South Frederick St., Dublin 2. Telex: 25414. Tel: Dublin 603378.

Edinburgh: Editorial and Advertising 37 George Street, EH2 2HN. Telex: 72484. Editorial Tel: 031-226 4120. Advertising: Tel: 031-226 4139.

Frankfurt: Editorial and Advertising Guiollettstr. 54. Editorial Telex: 416052. Tel: 7598-157. Advertising Telex: 416193. Tel: 7598-0.

Geneva: Editorial 15 rue du Cendrier. Telex: 22589. Tel: 311604.

Hong Kong: Editorial Room 507a, Pedder Building, Pedder Street, Central. Telex: c/o Reuters, HK. Tel: 5-226995.

Johannesburg: P.O. Box 2128. Telex: 8-6257. Tel: 838-7545.

Leeds: Advertising Permanent House, The Headrow. Tel: 0532 454969.

Lisbon: Editorial Rua do Prior 31-33, Lisbon 1200. Telex: 12533. Tel: 674406.

Madrid: Editorial Espronceda 32, Madrid 3. Tel: 441 6772.

Manchester: Editorial and Advertising Queen's Hse., Queen St., M2 5HT. Telex: 666813. Tel: 061-834 9381.

Mexico City: Editorial Calle Sinaloa 54-500, Col Juarez, Mexico 6DF 06600. Tel: 592 5822.

Moscow: Editorial Kutuzovsky 14, Apartment 1, Moscow. Telex: 413300 Finanso. Tel: 243 1635

New York: Editorial and Advertising Financial Times, 14 East 60th Street, N.Y. 10022. Editorial Telex: 66390. Tel: (212) 752 7400. Advertising Telex: 238409. Tel: (212) 752 4500.

Paris: Editorial and Advertising Centre d'Affaires Le Louvre, 168 Rue de Rivoli, 75044, Paris Cedex 01. Telex: 220044. Tel: 297 2000.

Rio de Janeiro: Editorial Avenida Rio Branco 45, Salas 2611-2612, Centro CEP 20090, Rio de Janeiro RJ Brazil. Tel: 263 8845. Telex: c/o Reuters.

Rome: Editorial Via della Mercede 55. Telex: 610032. Tel: 678 3314.

Stockholm: Editorial Svenska Dagbladet, Raalambsvagen 7. Telex: 17603. Tel: 50 60 88.

Sydney: PO Box 182, Spit Junction. Tel: 969 5130.

Tokyo: Editorial 8th Floor, Nihon Keizai Shimbun Building, 1-9-5 Otemachi, Chiyoda-ku. Fax: 245 0358. Tel: 241 2920. Telex: 27104. Advertising Kasahara Building, 1-6-10 Uchikanda, Chiyoda-ku. Telex: 127104. Tel: 295 4050.

Washington: Editorial 1171 National Press Building, Washington DC 20045. Telex: 440340. Tel: (202) 347 8920.

For Share Index and Business News Summary, Telephone 246 8026 (number, preceded by the appropriate area code valid for London, Birmingham, Liverpool and Manchester).

All advertising is subject to the publisher's current terms and conditions, copies of which are available on request.

FINANCIAL TIMES
BRACKEN HOUSE, CANNON STREET, LONDON EC4P 4BY
Telegrams: Finantimo, London PS4. Telex: 8954871
Telephone: 01-248 8000

Tuesday February 7 1984

The failures in Lebanon

LEBANON is again teetering on the edge of full-scale civil war, the tragic consequence of the failure by any of the communities to build on the reconciliation talks held in Geneva last November.

The resignation on Sunday of the Government, and the first indications that the army may divide along confessional lines, are two body blows to the remaining institutions of the Lebanese state. The Government and the army have been the only two organisations in which all Lebanese factions have been represented. Without a government, President Gemayel has little moral authority other than that which he can exert over the Christian Maronite community. Without an army which enjoys a degree of inter-communal confidence, the prospects of any future government extending its physical authority, as sought by President Reagan, are just as bleak.

It is pointless to seek to apportion blame. None of the factions are free from external pressures and all suffer the bitter legacy of eight years of intermittent civil war and foreign invasion. A generation has grown up in Lebanon knowing only the gun, the rocket-propelled grenade and the car bomb.

The immediate cause of the present fighting appears to be the unwillingness of President Amin Gemayel to abrogate the May 17 agreement with Israel, as demanded by all the opposition forces and by Syria. They argue that the agreement was negotiated by an unrepresentative Lebanese government and gives Israel long-term political gains in Lebanon, including a military presence.

Last November, President Gemayel was given a mandate to tour Washington and other western capitals to discuss ways of securing an Israeli withdrawal from Lebanon, other than through the May 17 agreement which would be frozen.

The President was unable to report any progress. The suspicion grew among the opposition factions that his resolve to stand firm had been stiffened by a U.S. Administration which was seeking to present the Lebanon crisis as another element in the East-West ideological struggle.

In this context, Washington's efforts to re-train and re-equip the Lebanese Army were viewed as a threat rather than as a step towards national reconciliation. A stronger army could only be acceptable to the Lebanese opposition if it was accompanied by political concessions which reduced the dominant role enjoyed since independence by the Christian Maronites.

The resentment of the Shia Moslems, the largest community numerically, and the most deprived economically, has been further fuelled by the Israeli occupation of the south of Lebanon. Their leader, Mr Nabih Berri, has now joined Mr Walid Jumblatt, who heads the Druze community, in demanding the resignation of President Gemayel. Yesterday, the militias of the left-wing Sunni Moslems reappeared on the streets of West Beirut to challenge the authority of the army and complete the circle of opposition to President Gemayel.

Pressure

The extent to which the army can hold firm under such pressure may determine the fate of Mr Gemayel's presidency. That, and the attitude taken by the U.S. and the other contributors to the multinational peace-keeping force — France, Italy and Britain.

President Gemayel has warned of chaos and a communist-controlled regime in Lebanon if the multinational force pulls out. Yet that force alone cannot ensure his survival unless President Reagan is prepared to adopt a far higher military profile in defiance of U.S. public opinion polls which show a clear majority for withdrawing the marines.

The distasteful alternative for Mr Reagan and Mr George Shultz, the Secretary of State, is the road to Damascus. The American Administration is right to see the influence of Syria in much of what happens in Lebanon, but wrong to think that President Hafez al-Assad can easily be deterred by threats of military retribution.

As Mr Henry Kissinger demonstrated after the 1973 Middle East war, it is possible to negotiate and strike a lasting deal with Mr Assad. It is along that path that the European contributors to the multinational force should be urging Mr Reagan.

A wasteful set of subsidies

IT ALMOST goes without saying that "the auction that currently takes place between European Community countries for internationally mobile investment projects is ludicrous and self-defeating." But this conclusion of the paper on UK policy towards inward investment, published today by the Royal Institute of International Affairs, leads to two related questions which are more interesting and more controversial.

Can any one government afford to stand aloof, at a time of high unemployment, when others are throwing taxpayers' money at multinationals in exchange for jobs? On the other hand, if it is foolish to subsidise foreign investors, is it not equally foolish to offer investment incentives to domestic businesses?

Incentives

The case studies on the British pharmaceuticals and consumer electronics industries in the Chatham House paper (reported elsewhere in this issue) add to the mounting weight of evidence that the answer to both these questions is "yes." The sort of investment projects which generate secure, well-paid jobs are unlikely to move from one country to another as a result of investment incentives—and the benefits of catching the few projects which are genuinely "mobile" are outweighed by the cost of needlessly subsidising the many projects which would come to Britain in any case.

The study presents a case which is already familiar to analysts of the electronics boom in Scotland and around Cambridge, for example. The reason why drug companies have invested heavily in Britain is the "excellence of the scientific skills" available for the research on which all these companies' fortunes are based. The ratio of research expenditure to drug output and consumption is much higher in Britain than it is in the U.S., Japan or most of Europe, and Britain's record of developing important new drugs compares favourably with any other country in the world. Thus, the international drug companies have chosen Britain as a centre of high-value high-productivity, but also labour-intensive activity of precisely the kind which successive governments have been anxious to foster.

But the large government subsidies made available to these companies for the construction of capital-intensive production plants have played little or no role in this development. Indeed, the study argues convincingly that Britain would do better, even in terms of attracting foreign pharmaceutical investment, if it put the money now allocated to subsidising this industry into university education and publicly-funded scientific research.

In the case of the Japanese investment in Britain's colour television industry, the report again found that financial incentives had little impact on the investors' decisions to come to Britain. The main role of explicit subsidies was as an indication that Japanese companies would be "welcome" in this sector of industry

The cost of these "welcomes," however, is much higher than appears at first sight. For the true levels of investment subsidy in Britain go far beyond the 22 per cent of capital expenditure available automatically in Special Development Areas and the modest level of discretionary assistance under Section 7 of the Industry Act. The cost of encouraging capital formation in Britain must also include the 100 per cent allowance for investment against corporation tax. This "hidden subsidy" came to £5.3bn in 1980/1, about £1.1bn of which went to foreign companies.

This level of subsidy, which can no longer be justified by the failure of UK tax law to take inflation adequately into account, raises an issue which the current Government should be the first to recognise. Sound public finance is a matter of choosing priorities and recognising that money spent in one field cannot be spent somewhere else. The Chatham House paper suggests that it would even be cheaper to employ surplus labour in the public sector than to "pay" the private sector to create jobs. A better alternative, however, would be to redirect the British tax system to make it more attractive for business to employ labour—and to ensure that public spending priorities do not damage the supply of high-quality scientific skills.

UK ASSET SALES

Mr. Lawson's £10bn balancing act

By Robin Pauley

THE BRITISH Government is currently engaged in one of the largest disposals of state assets the world has ever seen. The sale of what is often referred to as the "family silver" is expected to raise around £2bn a year for each of the next five years.

This unprecedented level of sales raises two important and inter-connected issues. The first is how to manage and market the programme of sales without destabilising the stock market. The second (below) is how the substantial revenues from the sales will affect both the Government's Medium Term Financial Strategy for the economy and its campaigns to reduce public spending and borrowing.

THE GOVERNMENT'S massive asset sale operation will need very great skill if the markets are to swallow so many large issues without choking.

There currently appears to be no shortage of funds available for the equity market and indeed in recent months the Government has been over-funding—selling more gilts than necessary to cover the PSBR. But the Treasury is acutely sensitive to the problems which could arise when around £2bn a year is added to the market.

There are no reliable figures for the likely impact of the sales on institutional cash flow. Nor does anyone know what might happen to the whole programme if the present bull market turns sour. But a number of things are now beginning to become clear.

In 1984-85 the markets may have to cope with three major sales: Enterprise Oil which should raise around £400m, British Telecom, which would produce around £4bn in three cash calls, and British Airways. This last is looking ever more complicated but if it got off the runway, it might produce around £800m. Another £1.6bn of council house sales is also expected during the year.

The 1984-85 sales—oil, communications, and airline—have been deliberately arranged to appeal to three quite different segments in the market.

Enterprise Oil, which largely comprises the oil interests of British Gas, should not be a problem when it comes to market very shortly after the start of the 1984-85 financial year.

British Telecom is different. It is the subject of contentious legislation and will require a wholly new regulatory authority. Nothing of its size has ever been floated before and it is not clear how the market, particularly institutional buyers, are going to react.

The Government has decided to float 51 per cent of BT "in one go." For these reasons the float is likely to be in October on a partly-paid basis which will yield £1.3bn then, followed by £1.3bn from a second cash call in the financial year 1985-86, perhaps in May, followed by a final cash call for the last £1.3bn either later that year or, more likely, at the start of the 1986-87 financial year.

This spreads the financial burden for buyers over 18 months and three financial years. But one of the Treasury's major anxieties is that if the market were to weaken before October or, worse, just at the point of the BT sales, this could have a serious effect on the psychology of the British Airways float, which is planned for only a month or two after BT. As it is, the worldwide state of the airline industry does not make a national airline one of the tastiest of offerings to a market with plenty of choice. Nor does the current state of the BA balance sheet. It contains about £1bn of debt which will have to be "dealt with" before the float is likely to be attractive to investors.

Official caution about all of this—and the possibility that a sale might have to be delayed into the next financial year—explains why some asset sales figures have been underestimated in white papers. Last spring the official estimate for revenue from sales of assets in 1984-85 was £1.5bn; this has since been raised to £1.9bn and is not likely to be much above that in the next white paper in 10 days' time. But Enterprise Oil, BT and BA together should actually produce nearer £2.5bn

The extra £500m, plus any other income from minor sales, would again be useful as an informal contingency against overspending government departmental programmes.

The 1985-86 programme would probably include the second BT call (£1.3bn), British Airports (£400m) and, the 11 Royal Ordnance factories, (£300m).

The major contributor in 1986-87 would probably be the £1.3bn third call for BT, unless market conditions are so buoyant that the Government decides to put both second and third calls into 1985-86. Thereafter, the £2bn a year target becomes more difficult. Most of the remaining candidates will raise much smaller sums except for gas and electricity, both of which are complex and controversial in terms of size, saleability and regulation.

Gas and electricity are in the five-year plan but their disposal is likely to be a bits-and-pieces affair late in the five years. (Coal is a practical no-hope candidate at the moment and is not in the five-year list but is in the "ideological" list for the following five years.)

Excluding gas and electricity, this means that, with around £1.9bn raised in asset sales between 1979 and the 1983 election, at least £7.5bn is on the agenda for the current Parliament. And, in addition, the Government still has substantial minority holdings such as 32 per cent of BP, worth £3.5bn.

But if all goes according to plan, the structure of nationalised industry in Britain will have been changed radically within two Parliaments. And what would remain unprivatised at the end of a third term under the Tories? "The Treasury," says Mr Moore, for whom the truly radical option of giving away all national assets to the public remains, he says, "a dream."

THE PRIVATISATION PROGRAMME

WHAT'S GONE

Year	Sale	Amount (£m)
1979-80	5 per cent of BP	276
	25 per cent of ICL	37
	Shares in Suez Finance Company and other miscellaneous	57
1980-81	50 per cent of Ferranti	55
	100 per cent of Fairey	22
	North Sea oil licences	195
	51 per cent of British Aerospace	43
	Miscellaneous and small NEB	91
1981-82	24 per cent of British Sugar	44
	50 per cent Cable and Wireless	182
	100 per cent of Amersham	64
	100 per cent National Freight	5
	Miscellaneous plus Crown Agent and Forestry Commission land and property sales	199
1982-83	51 per cent of Britoil (first cash call)	334
	49 per cent of Associated British Ports	46
	Sale of oil licences, oil stockpiles and miscellaneous	108
1983-84	Second cash call Britoil	293
	GENERAL ELECTION	
	7 per cent of BP	565
	25 per cent of Cable and Wireless	260

WHAT'S GOING

Year	Sale	Amount (£m)
1984-85	Enterprise Oil	400
	British Telecom (first of three cash calls)	1,300
	British Airways	800
1985-86	British Telecom (second call)	1,300
	British Airports	400
	11 Royal Ordnance factories	300
1985/86	British Telecom (third call)	1,300
1986-87*	Some parts gas, electricity, plus about £1bn of smaller enterprises including Sealink, National Bus, Jaguar, Land Rover, Rolls Royce, Unipart, British Steel profitable businesses, British Nuclear Fuels, Naval war shipbuilding yards.	4,700
	Further tranches of BP and BT might also be sold.	

* To general election.

The figures in the bottom half of this table are working assumptions.

How state sales can help to close the spending gap

HOW SHOULD the revenue from the Government's asset sales be presented in the national accounts? The answer has important implications for economic policy and has already sparked a lively debate. The issue is whether receipts from the sales are being included in the accounts as a means of allowing the spending departments much more expansion than the tightly drawn Public Sector Borrowing Requirement figures suggest at first sight.

The Government has not been able to constrain public spending as tightly as it would like and the PSBR target for the current year—the difference between what departments raise and what they spend—has been raised to £10bn (having started the financial year at £8.2bn), to take account of the fact that departments are spending much more than the Chancellor wanted.

This leaves the Chancellor with something of a difficulty: on Thursday week he has to publish the next public expenditure White Paper followed on Budget Day (March 13) by the all-important Financial Statement and Budget Report or "Red Book" containing the Medium Term Financial Strategy which has to be updated to 1986-87. He wants to keep the strategy with a PSBR target of 2¼ per cent of GDP (£8bn) in 1984-85 and 2 per cent of GDP (£7bn) in 1985-86. And this is where asset sales could come to Mr Lawson's aid.

If it all goes well, the sale of state assets which, like North Sea oil and gas receipts, can be used in part to fund a public expenditure programme, could add an extra £2bn a year to government revenues over the next five years.

In addition, the Government has been engaged in a high-powered programme of selling council houses, an often forgotten side of asset sales, which has raised £6.25bn since 1979, about £1.9bn of it in the current financial year.

One argument in favour of including the asset sales income as an offset to public spending is that the purchase or creation of state assets counted as public expenditure at the time.

This was graphically summed up by Mr Christopher Johnson, group economic adviser to Lloyds Bank: "Sales of assets by the public sector are counted as reducing the PSBR, not financing it. For any given PSBR target the Government can finance additional expenditure by means of asset sales which allow a high underlying PSBR after adding back the asset sales. For example, in the current financial year share sales are expected to net £1.25bn and housing sales another £1.9bn. This total of £3.1bn is 30 per cent over and above the latest PSBR target of £10bn and makes the underlying PSBR 4¼ per cent rather than 3¼ per cent of GDP, compared with an original objective of 2¾ per cent. The Government is thus able to do good by stealth, and run an effective deficit of the size that many of its Keynesian critics have been demanding."

But supporters of the Government's original strategy—which included real rather than apparent cuts in public spending as a proportion of GDP—argue that the PSBR itself is an unsatisfactory way of presenting a fiscal policy because the bald figures indicate fiscal restraint when nothing of the sort is occurring.

Mr Tim Congdon, chief economist at brokers L. Messel, has argued that, as asset sales cannot continue forever and are, to that extent, an exceptional influence, the Government should set an appropriate fiscal target which excludes their impact. Both a Public Sector Financial Deficit and a General Government Borrowing Requirement measure would fulfil this objective.

Although the level of council house sales is falling off from its 1982-83 peak, they should realise between £1bn and £1.5bn in each of the next two financial years.

A measure of what this would mean is that if £2bn of share sales and £1.5bn of house sales were subtracted from the current PSBR target of £8bn the "real" PSBR would need to be revised downwards to £4.5bn or 1¼ per cent of GDP. The figure for 1985-86, on the same basis, would need to be halved from its present target of £7bn or 2 per cent of GDP.

Presentation of the figures in that way would lay Mr Lawson open to attack from all sides for turning the screw on public services too tightly. So, for the time being, asset sales will be counted in—helping spending ministers to have more relaxed spending totals than they admit to enjoying.

Perhaps, but only up to a point. The Chancellor seems likely to stick with the PSBR so he can use the proceeds from asset sales to maintain the semblance of the strategy and, therefore, the important tight fiscal, sound money anti-inflationary stance which stems from it.

But Mr Lawson has recently hinted more than once that he is not entirely happy about the situation and that asset sales "might not be counted one for one." This could mean that he is thinking of a slight tightening of fiscal policy, perhaps revising the PSBR target for next year downwards slightly, to put the squeeze on spending ministers.

As well as tightening up policy, it would help to reinforce the Government's argument that there is more to asset sales than funding the PSBR. Mr John Moore, Financial Secretary, has repeatedly stressed that competition and wider share ownership remain the principal motive for disposing of "unnatural public monopolies."

PRIVATISATION AND THE PSBR
(figures in £bn)

	PSBR	Privatisation revenue	Council house sales revenue	Total
1979-80	9.9	0.4	0.5	10.8
1980-81	13.2	0.4	0.8	14.4
1981-82	8.8	0.5	1.4	10.7
1982-83	9.2	0.5	1.85	11.55
1983-84	*10.0	*1.25	*1.7	*12.95
1984-85	†8.0	†1.9	†1.6	†11.5
1985-86	†7.0	†2.0	†1.2	†10.2

* Estimate. † Target.

Men & Matters

China service

"China is a political laboratory, experimenting, cautious, afraid of making mistakes. Nothing decided until they are sure no-one will be blamed . . . like someone dipping a toe in the water to test the temperature."

But British companies—like BP, Cable & Wireless, ICI and Courtaulds—involved in large-scale ventures there, are "very much on the ball," says Lord Rhodes, reporting on the visit to China of the fourth parliamentary delegation he has led to that country since 1978.

The 88-year-old former World War I pilot, Labour MP and woollen manufacturer, says that Deng Xiaoping's pragmatic approach is producing visible progress: "Private enterprise goes ahead . . . The production brigade of yesteryear is now out of date."

But if British industry is adventurous in taking its chances, Rhodes thinks that more could be done in other ways to cement British relations with China.

The BBC external service is poor and should be strengthened, he says. And schemes should be introduced to enable more Chinese students to study in Britain.

Rhodes did his bit for the British cause in Chungking, where he inadvertently got caught up in a Chinese version of the "pass the parcel" game at a young Communist seminar.

For his forfeit, Rhodes sang "Ilkla Moor baht 'at" to a delighted, if bemused, audience and was promptly made the first octogenarian member of the young Communist movement.

"Oh golly, I've still got Sir Geoffrey's Cheltenham brief so he must have my sandwiches again!"

Singer checks in

My recent story about the diner-out in Switzerland who found to his distress that sophisticated electronics logged every drink he drank and the times at which he drank them and then—adding insult to injury—printed the details on his bill turns out to have been a timely warning.

Alfred Singer, aged 59, is combining a lifetime's experience in both electronics and consumer goods retailing in his new job as chairman of the Hugin Group, which makes cash registers and check-out systems.

Electronics point-of-sales machines are going to be an explosive growth area, he says. "The scope is unlimited as manufacturing costs come down. Every shop till, bar, and check-out, will be using these techniques before long."

The Hugin group recently changed hands in a £14m management buy-out from Electrolux. The company is designing its machinery in Sweden, has its main markets in Sweden and Britain, and is sub-contracting its manufacturing in the Far East to keep unit costs down.

Singer, who takes the chair following the death of Michael Shenks, was a senior executive at Tesco where he was in at the birth of the "bar" system of electronic identification of supermarket products, which is now called the universal product code. The ability of lasers to read those stripes printed on goods is at the heart of the retail accounting revolution.

Singer acquired his grasp of electronics while a director of Rank Xerox and he is now chairman of Aregon, a computer software house.

Rausing venture

Dr Hans Rausing, Swedish chairman of the Tetra Pak drink carton group, is the self-effacing force behind yet another venture to improve the quality of life.

He is helping to sponsor a European campaign to promote the use of rubbish as a fuel.

The Warmer Campaign, as it is called, has been launched at London's Battersea power station with the installation of a rubbish-burning boiler to demonstrate that it can provide central heating for the Pimlico district on the other side of the Thames.

Rausing, who is as modest as he is inventive, is promoting the campaign through a body called World Resource Foundation, rather than under his own name, or that of Tetra Pak—which currently makes some 33bn soft drink cartons a year around the world.

The campaign is being run from an address near his family estate at Wadhurst, East Sussex.

He recently started to breed crayfish for London restaurants and at his estate in Sweden, he has introduced wild boar in the belief that their presence could improve the forest.

Fish market

From cars to cameras, transistors to television sets . . . it is a rare achievement these days to buck the tide of Japanese trade.

When Goodfare, a Manchester-based food processing company, began to import Japanese salmon, it seemed to be just another sign of the current trend. But it is now selling the fish back to the Japanese, mildly cured to their taste.

Michael Hyman, managing director and third generation in his family-owned company, buys salmon from all over the world. "I spent some time in Hokkaido," he says, "testing the raw fish to ensure it was the kind we needed." And as he ordered his raw material, he landed a contract to return the whole load after it had been smoked.

Along with the salmon, Hyman is now exporting some of the company's other specialities, like pickled gherkins, cocktail cherries, olives and mayonnaise.

"They are in great demand as presents," he tells me. "The Japanese seem to like to wrap up parcels of gifts containing, say, a few golf balls, a bottle of whisky, and a couple of jars of cocktail cherries."

Hyman's smoked salmon customers range from North Sea oil rigs to international airlines and European restaurants. It is by no means the first time that he has found his raw materials and a market for his product in the same country. "We have been importing salmon from the west coast of the U.S. and selling it back to the east coast cities for some years," he says.

Yen for change

A Japanese firm which supplies periodicals worldwide is making prudent arrangements to guard against alterations in the exchange rates.

Subscribers have been advised: "If the value of Japanese Yen will be furiously in future floating upward against the U.S. Dollar due to unexpected change, you may please make up for loss of difference broke out in consequence of wide fluctuations."

Observer

Letters to the Editor

Export subsidy criticisms

From Mr J. Dingle

Sir,—It is curious how the Treasury's criticisms of export subsidies surface at this time of year. Today (February 1) your World Trade Editor had an item headlined "Value of Export Subsidies Questioned." On January 27, 1983 his predecessor had a piece headed "Export Subsidies Attacked." Both items summarised Treasury reports which indicated that Government support for exports—particularly large projects attracting interest rate subsidies and/or aid packages—was not good value for taxpayers' money.

These criticisms would be more credible if they did not appear to ignore detailed studies which show the contrary, at least in respect of certain kinds of large export projects. There is, for example, strong evidence to show that export subsidies to process industry projects are cost-effective even in the crude terms of valne per job-year or short-term return to the UK which seem to appeal to the Treasury.

It would however be more interesting to consider two other fectors: (1) the effect of these subsidies on the long-term development of British project exporting capability; (2) means of increasing the return per unit of subsidy within the context of that long-term development.

These two factors are linked because the technological content of large export projects is changing, and will continue to change. Subsidising low technology projects does nothing either for long-term growth, or to improve the return. Subsidies in support of price-cutting merely perpetuate exporters' inefficiency.

On the other hand, support which contributes to maximising exporters' penetration of markets which increasingly demand effective transfer of technology and knowhow, and at the same time encourages exporters to raise tha level of their own technology and knowhow, is likely to he money well spent.

It should be possible gradually to adapt policy towards a more creative use of export subsidies. That would not be at all as easy as simply cutting subsidies across the range of exports—a solution of equality of misery for everyone except bureaucrats—but it would make industrial and commercial sense.

John Dingle.
19a Cavendish Square, W1.

Value of export subsidies questioned

By Christian Tyler, World Trade Editor

THE COST of winning large overseas orders for British construction and engineering contractors can rarely be justified on economic grounds, according to a Whitehall report released yesterday.

Subsidised credit, which is costing the taxpayer about £500m a year, and government project-linked aid of over £50m a year benefit relatively few

Co-operation with Japan

From Mr Ronald Dore

Sir,—May I offer a gloss on Mr Capito's excellent rejoinder to Christopher Lorenz's piece on technology contracts with the Japanesa?

"Jepanese will almost invariably respond to trust with trust," he said. More than most others, Japenese businessmen draw a sharp distinction between a trust relation and a market contract relation. In the one you keep implicit as well as explicit contracts and expect mutual consideration, give and take. In the other, only the most explicit letter of the contract constrains the relentless pursuit of self-interest.

And, incidentally, their preference for trust relations rather than market relations, in sub-contracting in particular, has a great deal to do with the way Japanese maintain product quality, as any Toyota or Hitachi manager will tell you. Firms like Marks and Spencer'a and Sainsbury's have long since discovered this, but it is remarkable how slowly the message is spreading in, say, British engineering.

The point often overlooked is the importance of language in establishing trust relations. Of course it would be an exaggeration to say that Japanese find it impossible to develop trust relations in the English language, but they find it difficult. No wonder British businessmen so often come back from Tokyo with such bizarre stories about Japanese business behaviour.

I was lucky enough to have learned Jepanese during the war and then subseqoently to have earned my bread and butter using it for loog enough to get an easy fluency. Consequently I have often had the chance to see the same Japanese husinessman operating hoth "at home" in his own language, and "allenated" in strained English or through an interpreter. I can testify that the difference in spontaneity, in humour, in confidence—and in the propensity to trust—is often enormous.

So if we want fruitful technical co-operation with Japan it would greatly help to have a cadre of first class technologists (Mr Capito's point about sheer competence) who are also fluent in Japanese. British Oxygen have taken the point and are making the very substantial investment required to turn five chemical engineers into Japanese speakers. They have, alas, few imitators. Imperial College is next year providing Japanese language as an option in the engineering degree courses. A canvas of leading firms to find sponsors drew a meagre response. "We find the Japanese speak English well enough," was the standard reply.

Can wa expect to be internationally competitive if we remain so insular. When we were the exporters of technology we could deal, take it or leeve it, arms-length, market-fashion in onr language. Trust did not matter all that much. Now that the traffic is the other way it does—as Christopher Lorenz's article showed.

Ronald Dore.
The Technical Change Centre,
114, Cromwell Road,
London.

The Rates Bill and industry

From Prof G. W. Jones and Prof J. D. Stewart

Sir,—The other day we were talking to an industrialist who told us that the rates in "x" were now so high that they were driving him out of business. He welcomed tha Rates Bill as a protection. We later looked up his anthority and found that it was spending 8 per cent under GREA and its expenditure was on target. It was a "good" authority.

This atory illustrates the present confusion: Industrialists have assumed that the Rates Bill will help them. The industrialist in "x" believed his authority was an över-spender because its rates had gone up. But rates have gone up mainly because grant has fallen.

The Rates Bill is not designed to help industry generally. If the Government really is going to ratecap a mere handful of authorities, then the Bill is of no general value to industry or commerce.

In the inter-war period the Government, concerned for the plight of industry in the middle of a recession, introduced industrial de-rating. If the Government were now genuinely concerned about the burden of rates on industry generally it would reintroduce industrial de-rating. However, their current intention is to win industrial support for a crusade against particular anthorities.

We do not necessarily advocate industrial de-rating, although we do favour a financial settlement that would replace the non-domestic rate as a local tax by new sources of local finance that bear directly on votars. We merely record that the present Bill does not reduce the burden of rates on industry generally. That requires a measure of de-rating, or the abolition of non-domestic rates.

Industry and commerce would be wise to ask why the Government is distracting them with an irrelevant measure. By supporting the Rates Bill, they fail to tackle the real problem.

Industry and commerce should support the growing demand for a proper inquiry into the many issues involved, rather than back a Bill which does not meet what they can see is their problem.

G. W. Jones,
Professor of Government.
The London School of Economics and Political Science.
J. D. Stewart,
Professor of Local Government and Administration.
Institute of Local Government Studies,
University of Birmingham.

Industry and the colleges

From the Training Director, Aylesbury Industrial Group Training Centre

Sir, — The Government's White Paper on Training For Jobs has once again set the crocodile tears of the educationalists flowing. Let us hope from the objectives of this White Paper the Government, through the MSC, will let industry get on with the job, but in saying that there is a rola for the colleges. Industry must do the training and the education authorities co-operate with industry by giving tha colleges the appropriate further education. Those under the age of 18 years on any scheme should be treated the same as their contemporaries who stay on at school i.e. at no cost for their further education, but for those over that age the authorities should charge the appropriate fees.

The seven statutory training boards must levy all their industry not just the few. Very large companies (2,000+ employees) who have always carried out training and who no doubt will continue to do so, should be exempt from a training board levy.

If industry is allowed to get on with the training, I have no doubt the colleges will be full.

W. E. G. Woods.
Gatehouse Close,
Aylesbury,
Bucks.

Cost effective pensions

From W. T. L. Barnard

Sir,—I am disturbed at the line that the pensions debete is taking. The facts are that the majority of pensions are provided by private pension schemes and are not insured schemes. This is an extremely cost-effective way of providing pensions. Whatever its disadvantages, it is far and away cheaper than providing contracts for each individual involving cost of advice and commissions. The present system also gives, in most cases, a guarantee against inflation and some form of dynamisation whilst on pension.

I see no difficulty in having compnlsory transferability between schemes. However, there must be e common valuation basis. The basis of valuation of the fund is unjust. It would vary from scheme to scheme and the individual's transfer value will depend on the basis upon which the scheme has been funded.

I use a atrong valuation basis for our pension scheme. I regard it as a preinvestment by the Society. For transfers, however, I use a weaker basis else new recruits bringing transfers with them would have an unfairly reduced back service credit. Equally, I cannot see why a person leaving should take part of the overall provision for contingencies anymore than the payment to a policyholder on the maturity of a traditional policy.

W. T. L. Barnard.
Assurance Buildings,
Colmore Circus,
Birmingham.

Current cost accounting standard

From Mr D. E. Heady.

Sir,—I am qnoted in your January 27 edition as saying: "The standard should require all accounts to show the effects of changing prices, when these effects are material. The present proposals do not ensure this."

Many readers will assume that my comment expresses dis-eppointment that SSAP 16 type proposals may not apply to small companies whereas my comment was made in the context of rather different proposals. These proposals (of the Inflation Accounting Sub-committee) would be quite unlike SSAP 16 and in simple terms would allow directors and their advisers to account for changing prices or inflation as seem most appropriate to the circumstances of their particular enterprise.

It is clear that accounting for changing prices will never become universally accepted until there has been a very lengthy period of educatioo from which will emerge a generally eccentable method commanding respect. This was well understood by Tom Neville and Stanley Thomson and the majority of tha Inflation Accounting Sub-committee.

D. E. Heady,
Member of the Accounting Standards Committee,
Donald Heady and Co.,
87, Western Road,
Romford, Essex.

Employee involvement

From the Director-General of the United Association for the Protection of Trade

Sir—, While I must compliment your industrial editor in keeping a sharp lookout for the first statement in an annual report and accounts oo employee involvement in the running of a company (January 25), he should really have begun his vigil a little earlier.

Without in any way claiming to be the first in the field, the statement in the annoal report of the United Association for the Protection of Trade for the year ended January 1 1983 predates that of the Cronite Gronp by nearly eight mooths. Do I hear any advance on May 1983?

B. W. Bailey,
Zodiac House,
163 London Road,
Croydon.

Encouraging investment in small business

From the General Secretary, Association of Independent Businesses

Sir,—Your leader "Finance for small firms" (January 31) expresses well the success of the Business Expansion Scheme in encouraging new equity investment in independent companies. It also points to areas of concern on the BES, notably the farming company initiatives which we and other interested parties have.

However, your leader raises an interesting issue and poses no solution. You are right to point out that single BES investments in one company under £50,000 are rare and the domination of institutional management in Approved Investment Funds puts off many businesses from considering the scheme. It is correct to say that we still have to perfect this tax incentive (or dismantle others) to fill the "equity gap" and this can only be done by the creation of local investment clubs, the shares of which would be eligible for tax relief, so the capital could be invested in existing qualifying companies.

This Association knows only too well the concern amongst Treasury ministers in the last Parliament that such a development would produce more not less institutional investment but clubs formed through local enterprise agencies, stockbrokers or other professionals could be really local in outlook and be acceptable investors for local businesses. More people would be attracted to investing in the shares of these clubs as the risk would be shared between e variety of investments, perhaps a necessary development if the desirable new found freedom for pension provision emerges. At the same time this lesser risk and increased marketability of shares would no doubt warrant a smaller annual allowance for investors to obtain tax relief and perhaps rednoing tha maximum tax rate at which relief is granted.

Whilst not underestimating the problems involved in creating local investment clnbs, guidance can already be drawn from the U.S.'s "Small Firm Investment Company" example and tha recent "Valleys of Enterprise" AIF adds to UK based experience. At the same time the slightly disreputable image of the BES remains (in most cases unjustifiably) because at the moment the scheme has been seen only to be applicabla to the better off in society to use Government tax subsidies to reduce their income tax liability. We believe we should move "down market" and encourage a wider spread of people to invest locally in industry and commerce.

J. B. M. Donnellan.
Trowbray House,
108, Weston Street, SE1.

From Mr Donald L. Adamson

Sir,—May I respond to your editorial of January 31 Finance for Small Firms?

The difficulties which yon outline in connection with the Business Expansion Scheme deserve to be considered in the light of the other changes in the supply of finance to the small firm sector.

For the past 30 years tha 3i group has had little competition in supplying funds to this sector. Consequently, it has been able to enjoy a disproportionately favourahle risk/reward profile on its business. It could achieve an attractiva combination of a secure income stream and an exposure to growth through convertible elements in its financing packages. The average quality of its deals has been high, its accounting conservative and its own business performance very good.

With equity hard to ohtain and clearing banks relnctant to extend overdrafts into term lending the small business had a restricted range of financing options.

Over the last 5 years however, these options hava been considerably widened. Financial institutions have become increasingly willing and ahle to finance the smaller business. This change should not be overlooked merely because of the novelty of the BES Scheme. Good quality information on tha amounts committed by institutions both directly and indirectly through intermediaries is not yet availahle. Nevertheless, it can be safely asserted that these amounts are substantially larger than BES funds invested or even raised to date. Institutional funding has an important advantage over BES funding in that it does not restrict companies in which investments are made, as BES investments necessarily must.

Institutions have made direct investments in smaller unquoted companies and have also supported a variety of specialist intermediary vehicles. These vehicles tend to have a strong equity orientation. They may specialise in many different activities ranging from huy-out financing to more tradidional development capital. They employ different structures, offer different levels of management involvement with portfolio companies and make different charges to their institutional backers. No "market leading" form of intermediary has yet emerged. Their diversity greatly increases the number of options open to the small corporate seeker of finance.

The availabla evidence suggests that the level of commitments which have been made in the past five years makes precipitate institutional withdrawal from this market unlikely. A more competitive supply side with equity finance more readily available may well be here to stay with or without the BES.

What, then, can be the BES contribution? BES may bave a number of "general henefits" but it also has a number of disadvantages. If the bulk of BES funds are deployed as "gross" money in an area competing with "net" mooey from institutions, substantiel price distortions are bound to take place, particularly in periods of temporary slackness of demand for funds. If BES is seen to ignore the vital, high risk, area of financing feasibility studies and market research, theo it is douhtful if any unbiased assessment of the scheme could conclude that the "general beoefits" justified the costs, given that much of the improvement in the supply side of this market would have taken place aoyway.

Donald L. Adamson.
Nuffield College,
Oxford.

The New Ireland Forum

Now, the hardest test

By Brendan Keenan in Dublin

Cardinal Tomas O'Fiaich (left) and Irish Premier Garret FitzGerald: an unprecedented disagreement.

THIS THURSDAY will witness a uniqne occasion in Irish politics wben four bisbops submit themselves to questioning by politicians oo their attitudes to such subjects as divorce and integrated edocation, and the implications of these attitudes for political progress in Ireland.

If the questioning proves as tougb aa many expect, it may spell tha eod of the old political joke that the only difference betwen political parties in the Irish Republic is whether they fall on their knees or their faces when a bishop speaks. A lot of other things may also be cbanging in Ireland. Like logs in a river, the old positions are beginning to shift under the influence of currents, whose direction is not yet clear.

The bishops' appearance will be at a pobllc session of the New Ireland Forum, probably the last public session before the Forum completes its report early next month. The Forum, in which the three main parties in the republic have joined with the nationalist Ulster Social Democratic and Labour Party (SDLP), has yet to make any great impact in Britain or Northern Ireland, but has had more effect on the Republic's politics than seemed possible wben it began last May.

Althougb Unionist parties hoycotted the proceedings, the Unionist case has beeo argued cogently and well by a number of clergymeo, academics and individuals wbo made submissions. Northern unionism and Southern nationalism have not confronted each other io this way since Ireland was pertitioned 60 years ago.

They may not have understood each other very much. A senior politician from the main opposition party, Fianna Fail, was heard to mutter after a presentation by ooe of Ulster's most liberal protestant clergymeo: "They're all really bigots underneath, aren't they?"

Even if mutual incomprehension remains strong, the work done by the Forum has left few in doubt that the old slogans of Irish nationalism will no longer suffice. Apart from anything else, it has become clear that a united Ireland could not surviva economically without the £2bn annual subveotion from the British Excbequer to Northern Ireland.

One, unintentional, effect of the Forum's deliberations has been to move an increasing number of people in the Republic further away from the idea of Irish unity, as the difficulties bave become clearer. It is no easy task to persuade the Government that constitutional change in Ireland is necessary and desirable and to produce practical proposals wbich a British government could take seriously.

The prospects for this may appear to bave diminisbed with the row over the visit by the Duke of Edinburgh to a British barracks in Ulster wbere eight members of the Ulster Defence Regiment now facing murder charges were stationed. In particular, the British response, pointing out that this was an internal affair of the United Kingdom, would seem to suggest an unwillingness to examine the constitutional "status quo". The Irish opposition leader, Mr Charles Heughey, bas already seized on this point to bolster his argument that there is no point in compromising on the traditional demand for Irish unity in the hope that a Britisb government will negotiate seriously oo lesser demands.

Irish Government sources think differently, describing the royal visit as a "hiccup" and maintaining that there are good reasons for the British to be in a responsiva mood. The assembly plan of Mr James Prior, the Northern Ireland Secretary, has run inio severe difficulties, with three of the five parties elected boycotting the proceedings. Even if the Officiel Uoioolsts end their boycott, the Assembly stands oo chaoce at present of developing into a vehicle which can produce political agreement between the two Ulster communities.

The emergence of Sinn Fein, the political wing of the provisional IRA, es an electoral force has also added a new and dangerous element to the equation. The early hope among some politicians and officials that Sinn Fein's rise might provide an opportunity to talk to the Provisionals appears to heve waned.

The danger wbicb now exercises the minds of politicians on hoth sides of the Irish Sea ls that Sinn Fein might capture eoougb votes to give political legitimecy to the IRA.

The Forum members must decide whether to pitch their report low enough to have a chence of success, or whether to go for longer-term aspirations which may not be achieved. Despite six months' hard work, it seems the Forum is still wrestling with the same three basic propositions with which it began.

The choice is between a united Ireland, in the traditional nationalist form, e federel structure incorporating North and South, or some form of joint euthority hy the British and Irish Governments in Ulster. Separate committees are looking at each of these and the SDLP leader, Mr John Hume, is confident that an agreed report will emerge.

Disagreement would he disastrous for the nationalist parties and might destroy SDLP morale in its fight with Sinn Feio for the support of Ulster's half million Cetholics. Agreement would be a major boost, but no-one seems to know why the British government sbould negotiate on any of these proposals, whicb are certain to be bitterly opposed by Uolonists.

One key element will be whether the proposals are put forward as e permanent arrangement, thereby guaranteeing the Unionists their positioo inside the United Kingdom, unless and until they change their minds.

The British governmeot will also have to take account of the impact of an agreed report on the British opposition—which badly needs an Irish policy—and on foreign opinion, particularly in the U.S.

Another ceason for both governments to make a serious effort is that Dublin's—and London's—approach to the problem is closer now than at any time since 1973. Dr Garret FitzGerald's government, alarmed at the Sinn Fein successes, has decided to take them on. Its public disagreement with Cardinal Tomas O'Fiaicb over his views on Sinn Fein membership ls uoprecedented in Irish politics.

It is also possible that the new currents in Irish politics are running in a dangerous direction. The clash between the Government and the Cardinal—whose arcbdiocese is Armagh—sbowed that the views of northern and southern Catholics could be diverging as the northerners become more elieneted from the political process. If Dublin ceased to be seen as the guerantor of Ulster Catholics' rights, that would leeve only the Provos to pick up the fellen standard.

An Irish Governmeot source suggested the British would have to think seriously because the policy of the last 10 years—wbich Mr Clive Soley, Labour's junior spokesman on Northern Ireland, recently discribed as "crisis management" will not do for another 10 years.

An earlier MP, Edmund Burke, may heve put it better when he said that for evil to triumph it was enongh thet good men did nothing. There is no shortage of evil at work in Ireland today: it may be time for the good men to bestir themselves.

FINANCIAL TIMES

Tuesday February 7 1984

Cable and Wireless bids for Hongkong Telephone

By Guy de Jonquieres in London and Robert Cottrell in Hongkong

CABLE and Wireless, the UK-based telecommunications company, yesterday launched a £296m ($422.7m) cash bid to acquire all the outstanding shares of Hongkong Telephone, in which it already has a 38.4 per cent stake.

Cable and Wireless is offering HK$46 ($5.9) per share. That is 12 per cent above the HK$41 at which shares in Hongkong Telephone closed on Wednesday, the last day of dealing before the Chinese new year holiday, and values the company at HK$5.4bn. Telephone shares were suspended when the market reopened yesterday.

The bid is conditional on Cable and Wireless acquiring at least 50 per cent of the ordinary shares. Mr Ernest Potter, finance director of Cable and Wireless, said in London that it "would not be unduly distressed" if the bid resulted in a complete takeover of Hongkong Telephone, which operates the territory's domestic telephone system.

But he said that Cable and Wireless would have to borrow to finance a full takeover. Its net liquid assets stood at about £100m on March 31, the end of its last financial year.

The company, which purchased 34.8 per cent of Hongkong Telephone from *Hongkong Land* for £143m last March, increased its holding to 38.4 per cent on Sunday by buying shares at HK$46 each from Mr David Li and his family, which has extensive business interests in the territory.

Cable and Wireless was obliged to make a general offer when its shareholding exceeded the 35 per cent level specified in Hong Kong's takeover code. The Li family, which still own an undisclosed number of Hongkong Telephone shares, will support the offer.

Hong Kong takeover rules allow Cable and Wireless to buy Hongkong Telephone shares on the open market at prices not exceeding its offer price.

Brokers in the territory expect the British company to seek immediately to raise its stake to at least 50 per cent in this way. But Hongkong Telephone urged its shareholders yesterday not to sell until it has consulted its bankers, Jardine Fleming (Securities).

Cable and Wireless said that majority ownership of Hongkong Telephone would result in more rational use of the two companies' communications facilities in the colony, and enable them better to exploit opportunities elsewhere, particularly in other parts of the Far East.

Cable and Wireless' 80 per cent interest in the franchise on Hong Kong's international communications is its single most profitable business, contributing most of the £60.1m trading profit which it earned in the Far East and South Pacific regions in the year to March 31 1983. The Hong Kong Government owns 20 per cent of the franchise company.

See Lex

India stiffens diplomats' security after murder

BY KEVIN BROWN AND ANTHONY ROBINSON IN LONDON

POLICE PROTECTION for Indian diplomats is being increased following the murder in Britain of Mr Ravindra Mhatre, the assistant Indian high commissioner in Birmingham, by a previously unknown terrorist group, the Kashmir Liberation Army.

Mrs Indira Gandhi, the Indian Prime Minister, yesterday, denounced the crime as a "cowardly and brutal outrage" after an emergency meeting of the Indian Cabinet in Delhi, which decided to increase security at all Indian embassies. The Pakistani Government has also condemned the assassination.

Mr Mhatre's body was found lying face down in a farm lane 20 miles away from the spot near his house in a Birmingham suburb where he was kidnapped on Friday night. He had been shot.

A group calling itself the Kashmir Liberation Army (KLA) claimed responsibility for the kidnapping in a letter delivered to Reuters news agency in London on Friday night. It demanded a ransom of £1m and the release of seven Kashmiris held in Indian prisons. The kidnappers threatened to shoot the diplomat on Saturday, if their demands were not met.

Birmingham's large Asian population includes an estimated 10,000 Kashmiris, and police carried out a series of raids on known Kashmiri political activists in the city over the weekend. But sources in Birmingham's Kashmiri community said they had found no leads.

The KLA, like other Kashmiri exile organisations, is believed to be seeking independence for Jammu and Kashmir, a predominantly Moslem area currently partitioned between India, Pakistan and China. The territory has been a source of contention between India and Pakistan since 1947, when the Hindu Maharajah, Hari Singh, signed an instrument of accession to India in return for Indian military assistance, against the wishes of the Moslem majority.

This led to a bitter civil war which ended in 1948 after a ceasefire agreement which left one third of the territory in Pakistani hands. Both countries claim the entire country, and fighting broke out again in 1965.

Indo-Pakistan rivalry in the subcontinent has been mirrored amongst Kashmiris living abroad. In 1981, a group called the Kashmiri Liberation Organisation threatened to blow up a foreign ministers meeting of the non-aligned movement in New Delhi if Kashmiri prisoners held in Indian jails were not released.

The most prominent of the jailed Kashmiris is Mr Maqbool Batt, who is under sentence of death in a New Delhi jail for alleged subversion in Jammu and Kashmir state.

He was one of the seven Kashmiris whose release was demanded in the letter delivered by the KLA to Reuters on Friday.

This latest act of political violence was condemned by all parties in the British House of Commons yesterday. The Home Secretary Mr Leon Brittan told MPs that the Government was determined to stand firm against terrorists and violence whatever their cause. "There can be no place for either in this country," he added.

Several Birmingham MPs also spoke, including Mr Terry Davies, MP for Birmingham Hodge Hill who said, "this appalling murder is condemned by everybody, including all those people who wish to see a free, independent and democratic Kashmir established by peaceful means."

Kashmir cauldron heats up, Page 6

Sirius computer maker forced into bankruptcy by creditors

BY LOUISE KEHOE IN SAN FRANCISCO AND JASON CRISP IN LONDON

VICTOR TECHNOLOGIES, the Californian manufacturer of personal computers, has finally been forced into bankruptcy. The company has been in severe financial difficulties since last summer and in the third quarter to September made a loss of $36.9m on revenues of $46.1m.

Directors of Applied Computer Techniques (ACT), the UK company which is Victor's largest customer, flew to the U.S. on Sunday to negotiate manufacturing rights. Despite Victor's financial problems in the U.S., the Sirius personal computer has been selling well in Europe.

Victor was placed in involuntary bankruptcy yesterday following a suit filed by a group of creditors on Friday.

This means, under Chapter 11 of the U.S. bankruptcy code, Victor will undergo a court-supervised reorganisation of its debt. Under U.S. law, three or more creditors acting together can place a company in involuntary bankruptcy.

Victor said yesterday that it expected to continue operations while formulating its response to the bankruptcy suit.

Several companies are believed to be interested in the manufacturing rights of Victor's microcomputer, which is still selling well outside the U.S. In addition to ACT, Swire Pacific of Hong Kong has been negotiating with Victor for several months to become a second source.

The computer, sold as Sirius in Europe, was one of the first personal computers to be launched using a powerful 16-bit microprocessor, now the standard for most business micros. It became the best-selling computer of its type in the UK and helped ACT to grow rapidly.

Last year ACT developed its own business microcomputer, the Apricot, which it manufactures in Scotland. The Apricot is cheaper than the Sirius and does not compete directly.

ACT is still selling more than 1,000 Sirius computers a month in the UK and will need to secure its supplies. Yesterday the company said it was certain it would either make the Sirius itself or find another supplier, such as Swire.

ACT is also likely to negotiate the distribution rights for the Sirius in *West Germany and France, which* are still held by Victor.

Philips to operate Grundig in alliance with banks

By Walter Ellis in Amsterdam and Jonathan Carr in Bonn

PHILIPS, the Dutch electrical group, disclosed yesterday that its intended takeover of the day-to-day running of Grundig of West Germany would involve a dilution of its present 24.5 per cent Grundig holding.

A mainly West German banking consortium would, under the scheme, control nearly 28 per cent of Grundig – 5 per cent more than Philips – but would operate in alliance with the Dutch group to ensure a unified administration.

The West German Cartel Office (BKA) in West Berlin has yet to approve the deal, but while there may be a delay beyond the scheduled completion date of April 1, no major problems are foreseen.

A Philips nominee will become chairman of the new Grundig board of management, while Mr Max Grundig, the present head of his family concern, will be retained as a consultant.

It had been said previously by Philips that Mr Grundig, who is 75, would become chairman of a new Grundig supervisory board. But this now seems less likely.

On April 1, Philips is set to take over 7.1 per cent of the nominal capital of the existing Grundig to give it a total of 31.6 per cent. It has held 24.5 per cent of Grundig's shares for several years.

At the same time, a consortium of banks, put together by Dresdner Bank and likely to include Amsterdam-Rotterdam Bank, will take over a block of Grundig profit participation rights certificates with a nominal value of DM 250m ($91.3m). These would later be converted into ordinary voting shares in Grundig with a nominal value of DM 100m.

The extension of Grundig's share capital by this means would actually reduce Philip's directly-owned equity to 22.9 per cent of the total, leaving the consortium in control of 27.5 per cent.

Grundig today has an ordinary share capital of DM 263.5m. This will be increased under the proposals to DM 363.5m.

The arrangements for the proposed changes in ownership are unusually complex, chiefly because of the need to demonstrate to the West German cartel office that Philips is not acquiring a dominant hold over European electronics.

The West German cartel office is felt likely to give the green light to the plan. It was officially informed last Wednesday of the accord between the two companies and, by law, has four months to decide whether or not to give the go-ahead.

However, despite the complexity of the agreement, the cartel authorities are expected to say yes fairly quickly – perhaps before the April 1 date on which the companies hope to carry out their plan.

It is pointed out that the competitive situation in the consumer electricals industry has changed significantly since the cartel office opposed the Philips plan some four years ago to boost its stake in Grundig.

Dr Wisse Dekker, Philip's chairman, has been anxious to secure a fuller partnership with Grundig as part of his grand design to increase the competitiveness of the European electronics industry. He is also keen that this process should be carried through with Philips as major partner.

Last year, Philips effectively prevented Thomson-Brandt of France from taking over Grundig. Since then it has been clear that both Dr Grundig and Dr Dekker saw an accord with Philips as the German group's best means of securing its future as a high-technology venture.

Philips and Grundig already work closely on the assembly of Philip's commercially-ailing V2000 home video system and will shortly co-operate on production of a Philips-designed version of the Japanese *VHS* video system.

See Lex

THE LEX COLUMN

Philips tunes in on Grundig

The London market's worst session since September 1981 was being blamed with almost universal accord yesterday on the disillusion beginning to seep into Wall Street. There is *growing* concern in the U.S. that corporate earnings estimates which had been discounted in the market may have asked a little too much. It now looks as if a poor performance on the productivity front may leave fourth quarter earnings-trailing behind those of the third – and real anxiety over the dollar is growing apace.

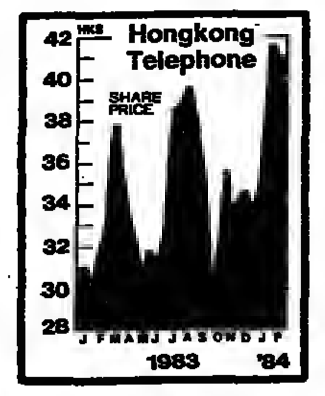
Philips/Grundig

One thing at least is clear about the tortuously complicated deal announced yesterday by Europe's two largest consumer electronics companies. If all goes to plan, a Philips nominee *will shortly step* into the shoes of Dr Max Grundig, giving Philips effective control of the West German company's management; at the same time, the retiring founder's beneficial stake in Grundig will fall to 49.6 per cent, leaving the majority with Philips and a consortium drawn from West Germany's ever obligating commercial banks.

Elsewhere, however, the deal's complexity has only been compounded by the principals' scant regard for international standards of disclosure in such matters: Philips seems to have been affected not a jot in this respect by the jump in the proportion of its shares held in the U.S. Thus, no price has been announced for its new 7.1 per cent direct stake in Grundig, shortly to fall to 5.1 per cent. No details are available about the agreement between Philips and the German banks, whose names remain undisclosed, never mind the proposed timing of their planned injection of DM 250m fresh equity capital into Grundig – valuing the whole company at DM 909m.

Probably the banks have given Philips full assurance that it now faces no risk of a future auction for Grundig and can look forward to increasing its stake as and when the German company's profitability improves. But this has been left as much to conjecture as the prospect of a rapid settlement with the West German Cartel Office, widely hinted at yesterday. The logic of Philips' move into the German marketplace remains as pressing as ever.

But shareholders in the Dutch



group who have waited patiently for details of its Grundig acquisition since last December might feel inclined to press their management for rather more information than usual at the annual general meeting on April 28.

Cable/Telephone

Cable and Wireless has a happy knack of finding people who just happen to be willing sellers of strategic stakes in Hongkong Telephone. Its original purchase last March – from a hard-pressed Hongkong Land – was of a holding just under the 35 per cent, which would trigger a full bid. So this weekend's acquisition from the Li family set the formalities rolling automatically.

The offer price of HK$46 a share is not exactly calculated to pull the crowds in, although Cable's brokers will be trying to pick up a bare majority in the market while the bureaucratic proceedings grind on for the next several weeks. At least the smaller investors in Telephone will have access meanwhile to the same terms as the *Li* clan; most indications are that Cable will be left with a comfortable 50 to 60 per cent – and rather surprised to be offered more.

If the offer succeeds, it should at least end the wrangle over the allo*cation of international call revenues* arising in Hong Kong. At present, Telephone gets 40 per cent but wants more; owned by Cable and Wireless – with whom it has to share the cake – Telephone would presumably find its 40 per cent satisfactory enough. Moreover Cable believes it can cut Telephone's costs in providing the new generation of integrated digital technology.

In any case Cable and Wireless might take some of the funding weight off current Telephone shareholders, who have had to put up almost as much in new equity over the last seven years as they have received in dividends, a piece of financial circuitry resulting from the regulations setting Telephone's permitted profits as a percentage return on shareholders' equity.

However, Telephone has begun to develop non-regulated profits from its services to various competitive markets – such as supply of PABX equipment – so that its profit performance may be a touch spicier in the next few years. All the same, to take control of Telephone would at least temporarily aggravate Cable's dependence on Hong Kong – perhaps to the point of basing 70 per cent of pro-forma 1983 trading profits from the Colony. The offer is a brave statement of confidence in Hong Kong's political future, as well as means of strengthening Cable's efforts on mainland China.

Bell/Weeks

Mr Holmes à Court's actions grow more cryptic by the day. Yesterday's swift capitulation by Weeks Petroleum, leaving the Bell chairman as head of the Weeks board and his company owning 46 per cent of Weeks's equity, is typically hard to read.

Yesterday's 40p fall in the Weeks price to 415p shows that the market is not expecting an all-out bid. On the other hand, in past dealings Mr Holmes à Court has not often settled for less than full control. As to the future of Weeks, it might make sense to sell off the U.S. interests, or the royalty rights in the Bass Strait, or indeed Weeks Australia itself. This last could have the attraction of *making capital* out of present speculation in the Australian market about the scale of the Jabiru find.

But again, it is remarkable how the name of Broken Hill crops up throughout. Immediately after his *failed* bid for BHP last year, Mr Holmes à Court took a 5 per cent stake in BHP's Queensland coal operation. The best bits of Weeks consist of similar stakes in the best bits of BHP – Jabiru, the Bass Strait, Eclipse. The Australian market has noted that those few BHP shareholders who did accept Bell paper last year are now well ahead on the deal. Mr Holmes à Court is not noted for giving up easily.

Reagan rides in to a home-town welcome

Continued from Page 1

starts his campaign for a second term in the White House. It is no accident that he was here today, surrounded by applauding mid-western crowds and excited, bright-eyed schoolchildren in a freezing, snow-covered "real America" that might be a million miles from Washington, DC.

For Dixon, of course, it is a major "historical event." The last and only president in office to come by here was President Theodore Roosevelt in 1905, and he only stopped off for three minutes at the railway station. For Mr Reagan, this is an emotional celebration – to be beamed across the nation on television – that will show middle America joyously taking him to its heart. And this election-year's battle, Mr Reagan's White House advisers say, is for the middle.

"You will not find any community more proud of Ronald Reagan, not just because he's President – the small-town boy done good – but because of what he's doing and what he stands for," says Mr Ron Mix, managing editor of the Dixon Telegraph.

This is exactly the note that Mr Reagan was trying to strike in his speech here yesterday and in a lengthier tirade against totalitarianism that he delivered just over 100 miles to the south at his alma mater, Eureka College.

President Reagan's strongly conservative speech lauded what he called the "counter-revolution" of the intellectuals that was restoring traditional values and revealing the "spiritual desert that is Communism."

"The romance of the intellectual with state power is over," he proclaimed.

Dixon is heavily Republican. Its mayor, Mr James Dixon who is a direct descendant of the frontier ferryboat man who founded the town in *1830*, is a *Democrat*. But he, too, is a devout admirer of the President and will not blame any of the town's recent economic troubles on "Reaganomics."

The point is meant to be that the right values transcend political parties. Mr Reagan, after all, himself started off as a Democrat. And here they believe that if he changed to Republican it must have been the Democrats who changed, not Mr Reagan.

Dixon is emerging from the worst of recession. Local unemployment has come down from 14 per cent to well under 10 per cent. The nearby steel mill is re-employing most of the workers it shut out during a labour dispute last year, at about $16 an hour – almost $5 less than before. That's still not bad, they say in Dixon.

Here, nobody is going to boo Mr Reagan. Anyone thinking of protesting at the parade, we were told, would be "taken care of." The locals are not allowed to give Mr Reagan material gifts for his birthday. What he will get, says Mr Mix, "cornball though it may sound, is love and respect."

Elf to shut German refinery

By David Marsh in Paris

ELF AQUITAINE, the French state-controlled oil group, said last night that it was shutting its large refinery at Spire, south of Mannheim, on the Rhine.

All production at the refinery, which has a processing capacity of 5m tonnes of crude oil a year and employs 260 people, is due to stop at the beginning of April. The refinery processed only 790,000 tonnes of crude last year.

The French oil group, which reported last week unchanged earn*ings of FFr 3.5bn ($416m) last year*, making it the most profitable of all French companies, said the halt to production was "a first step towards the complete closure of the refinery.".

The refinery is one of Elf's largest processing facilities outside France. The group said the decision reflected the "profound structural crisis" of the European refining industry.

The refinery at Spire was operated by Elf's *fully-owned* West German subsidiary, Elf Mineralöl. The *French* group, however, said it was keeping its petrol retailing operations in West Germany

Elf is currently engaged in the complex task of turning around the heavy chemical assests it acquired from the French Pechiney and Rhône Poulenc groups in the recent reorganisation of the French chemicals industry.

Ports blocked by farmers

Continued from Page 1

have contributed to the fall in French meat prices. The French farmers are also vehemently protesting against the Common Agricultural Policy and want the dismantlement of the EEC system of monetary compensatory amounts (MCAs).

In some ports, particularly at Cherbourg, French riot police turned out in force. However, no major incidents or violence were reported.

The farmers plan to continue their blockade today. Storms in the Channel yesterday also contributed to dampening the French protest because many ships were delayed.

World Weather

		°C	°F			°C	°F			°C	°F			°C	°F
Ajaccio	S	14	57	Dubrovnik	F	13	55	Malaga	C	16	61	Salzburg	S	6	43
Algarve	C	18	64	Faro	S	14	57	Malta	C	15	59	Seoul	S	-9	16
Algiers	C	15	59	Florence	S	12	54	Manila	S	33	91	Singapore	C	30	86
Amsterdam	F	7	45	Frankfurt	R	5	41	Miami	S	11	52	Stockholm	C	2	36
Athens	F	13	55	Funchal	R	14	57	Milan	S	9	48	Strasbourg	R	6	43
Bahrain	S	21	70	Geneva	C	2	36	Moscow	S	-9	16	Sydney	C	26	81
Bangkok	S	34	93	Gibraltar	C	15	59	Munich	F	6	43	Taipei	C	11	52
Barcelona	S	14	57	Guernsey	C	10	50	Nairobi	—	—	—	Tangier	F	16	61
Beirut	C	19	66	Helsinki	Sn	0	32	Naples	C	11	52	Tehran	—	—	—
Belgrade	S	7	45	H. Kong	C	13	55	New Delhi	—	—	—	Tel Aviv	F	27	81
Berlin	S	3	37	Innsbruck	F	3	37	New York	S	0	32	Tenerife	C	18	64
Biarritz	F	10	50	Inverness	Sn	0	32	Nice	S	14	57	Tokyo	C	2	36
Blackpool	C	7	45	Istanbul	C	8	46	Oporto	S	13	55	Toronto	Sn	-9	16
Bordeaux	C	12	54	Jersey	R	9	48	Oslo	C	1	34	Tunis	C	16	61
Brussels	R	9	48	Jo'burg	—	—	—	Paris	D	9	48	Valencia	S	4	39
Budapest	C	3	37	Las Palmas	S	20	68	Prague	C	3	37	Venice	S	5	41
B. Aires	S	22	72	Lima	S	26	79	Reykjavik	F	-4	25	Vienna	S	7	45
Cairo	C	21	70	Lisbon	S	13	55	Rio de J'o	S	41	106	Warsaw	F	3	37
Cape Town	—	—	—	Locarno	F	9	48	Rome	S	14	57	Zurich	R	2	36
Caracas	C	28	82	London	R	11	52								
Casablanca	F	15	59	Los Angeles	S	11	52								
Copenhagen	Sl	2	36	Luxembourg	S	5	41								
Corfu	S	16	61	Madrid	S	10	50								
Dublin	S	7	45	Majorca	C	15	59								

Readings at mid-day yesterday:

C–Cloudy D–Drizzle F–Fair Fg–Fog H–Hail R–Rain S–Sun Sl–Sleet Sn–Snow T–Thunder

Beirut on the brink

Continued from Page 1

ing a call from Mr Berri for them not to fight. The 37,000-strong army, which includes three tank battalions and some 78 pieces of heavy artillery, contains about 57 per cent Moslem personnel,

At lease 30 per cent of these are Shia and 25 per cent Sunni, diplomats say. Many would probably desert or stop fighting if Mr Berri's call was echoed by the Shia religious leaders.

Reginald Dale writes from Dixon, Illinois: President Ronald Reagan yesterday called on Syria to end violence originating from Syrian-controlled territory in Lebanon and reaffirmed U.S. support for President Amin Gemayel.

In an unusually strong condemnation of Syrian conduct, Mr Reagan said: "I call on the Government of Syria, which occupies Lebanese territory from which much of the shelling of civilian centres originates, and which facilitates and supplies instruments for terroristic attacks on the people of Lebanon, to cease this activity."

The commitment of the U.S. to the unity, independence and sovereignty of Lebanon remained firm and unwavering, *Mr Reagan said.*

"We will continue to support the Government and the people of Lebanon in their efforts to achieve these goals."

Fed unveils money targets

Continued from Page 1

tinue to drain off much more of the nation's domestic saving than at any time in the preceding three decades.

In what some economists saw yesterday as an important shift in the way the Fed is approaching monetary policy, the central bank disclosed that it had revised its definition of the broad M3 monetary aggregate to include term Eurodollars held by U.S. residents in Canada and the United Kingdom and at foreign branches of U.S. banks elsewhere.

Published by The Financial Times (Europe) Ltd., Frankfurt Branch, represented by G.T.S. Damer, Frankfurt/Main, F. Barlow, R.A.F. McClean, M.C. Gorman, D.E.P. Palmer, London, as members of the Board of Directors. Printer: Frankfurter Societäts-Druckerei GmbH, Frankfurt/Main. Responsible editor: C.E.P. Smith, Frankfurt/Main.

SECTION II – INTERNATIONAL COMPANIES
FINANCIAL TIMES
Tuesday February 7 1984

Allied's earnings plunge after large write-offs

BY WILLIAM HALL IN NEW YORK

ALLIED CORPORATION, the diversified U.S. chemicals and industrial products group, is writing off $188m against the disposal of the machine tool business it inherited as part of the acquisition of Bendix in 1982.

Net profit will also be hit by a further $148m charge for the disposal of the group's liquid fertiliser activities, which have been losing money for several years. After the two write-offs and a $39m gain from accounting changes, net earnings last year amounted to $98m, or 13 cents a share, against pro forma 1982 net income of $301m, or $4.48 a share.

Allied said yesterday that the write-offs would give the company a "substantial" extra boost in 1984. On an underlying basis, it added, the group has achieved record earnings in 1983, when profits on the continuing operations rose to *$450m, or $6.91* a share. This was 28 per cent up on the previous year's combined Allied/Bendix earnings of $352m, or $5.59 a share, before taking in operating losses on the discontinued activities.

Net sales last year amounted to $10bn against $9.5bn, and in the fourth quarter came to $2.5bn compared with $2.2bn. Net losses in the fourth quarter were $233m, reflecting the impact of the fertiliser and machine tool division deficits, against a pro forma net income of $21m in 1982.

Allied has not yet found a definite buyer for its machine tool business, although it says that it is now in negotiations. According to last year's annual report, this division of Bendix, which also brought aerospace and automotive equipment activities into the group, had revenues of $560m in 1982, and was estimated to be the second largest company of its kind in the U.S. at that time. It had been profitable until 1982, when it made "substantial" losses, and Allied said yesterday that it had a pre-tax deficit of $63m last year, and a negative cash flow of $80m.

Mr Edward Hennessy, chairman of Allied, said yesterday that there were now some signs of an upturn in this depressed sector, "but this business isn't strategically important to us, so we decided it was prudent to sell it now."

He added that most of the other businesses in the group had stronger earnings gains as a result of the upswings in the defence, housing, automotive and electronic markets, along with a cost containment programme.

During the year, the group had also substantially reduced its debt.

Petro-Lewis makes major cuts to reduce borrowings by $1bn

BY OUR NEW YORK STAFF

PETRO-LEWIS Corporation, which has been growing rapidly as the biggest marketer of limited partnerships in U.S. oil and gas wells, has announced a major cutback in its operations to reduce its and its partnerships' bank borrowings by $1bn.

The Denver-based group, which has raised more than $2.5bn from 183,000 investors, announced yesterday that it plans to sell between a quarter and a third of its total corporate and partnership reserves. The properties to be sold are held primarily by partnerships formed between October 1970 and October 1982. Approximately 30 would-be purchasers are said to be interested in buying the reserves, and firm offers are expected by mid-March.

As a result of the planned sales there will be "appropriate reductions in the company's workforce and overheads." The group currently employs 2,100 people at its Denver headquarters and six regional offices throughout the U.S. oil patch.

Mr Jerome Lewis, the chairman and founder of the company, said that recent strengthening in the market for oil and gas properties made a property sale "a more attractive alternative to reduce partnership debt." However, the company was still open to "a proposal for a sale or merger of the entire enterprise."

Meanwhile, the company revealed that Salomon Brothers, which had been retained in November "to assist in exploring a number of new financial opportunities" for Petrol-Lewis, had withdrawn. Drexel Burnham Lambert continues to represent Petro-Lewis.

Petro-Lewis has grown rapidly in recent years by buying interests in producing oil wells and selling them to private investors who were able to use the investments to shelter some of their tax.

As the price of oil rose rapidly in the late 1970's, interest in Petro-Lewis' limited partnerships mushroomed. Investors got a cash dividend from the oil wells and were able to sell back their interests to Petrol-Lewis. The latter also borrowed money from banks on the back of the partnerships' oil reserves to increase its exposure.

However, rising interest rates and a curb in the upward spiral of world oil prices has thrown this strategy into question. Petro-Lewis' bankers have become concerned about the size of the debt load carried by the company and the limited partnerships which it manages.

Petro-Lewis announced yesterday that it was temporarily suspending sales of interests in its oil income partnerships while it arranged the sales of some of its oil and gas properties. It also announced that it was withdrawing a new "yield plus" programme and returning to investors the $115m already raised.

The company says that this move will cost it $15m, and it is now forecasting a substantial loss in the second quarter of the current year.

Bell chief assumes top post at Weeks

By David Dodwell in London

MR ROBERT Holmes à Court, who heads the Bell Group, the diversified industrial and investment company based in Perth, Australia, has become chairman of Weeks Petroleum, the Bermuda-based exploration company, after a series of dawn raids last week in which Bell built up a 46 per cent holding in the group.

A Bell spokesman said in Perth yesterday that no boardroom changes were planned at Weeks, nor any change in company philosophy. However, doubt was cast on this claim in the U.S. last night, as Weeks board members were called together amid suggestions that a number of resignations would be announced.

Mr Holmes à Court continued to refuse any press comment, leaving open major questions about his intentions for the Weeks group of companies, which currently have a market valuation of about £300m ($428m).

It is also unclear who has sold shares to Mr Holmes à Court. Major shareholders are the Weeks family, with about 30 per cent of the company's issued share capital.

Bell has now bought a total of 30.5m Weeks shares in dawn raids in London. These began on Tuesday last week when stockbrokers Vickers da Costa bought 15m shares on Mr Holmes à Court's behalf. Bell has spent just over £150m building up his 46 per cent holding.

While Weeks is a Bermuda company, its shares are traded in London and Australia. Weeks' 51 per cent-controlled subsidiary, Weeks Australia, has a 10 per cent stake in the recent oil find at Jabiru off the north coast of Australia.

Bell owns a 51 per cent stake in West Australia Onshore Oil. Through Bell Resources, which used to be called Wigmores when it was aquired in August, the group is also poised to acquire a 5 per cent stake in a A$2.5bn ($2.3bn) Queensland coal consortium headed by Broken Hill Proprietary (BHP).

French champagne makers raise their glasses to a sparkling turnover

Moët pours profits into the U.S.

BY DAVID MARSH IN PARIS

CORKS may not actually be popping throughout the French economy, but the country's champagne makers – a leading part of France's buoyant agriculture and food sector – are raising their glasses to sparkling turnover and profits growth recorded in 1983.

Moët Hennessy, France's top champagne producer, is leading the drive to consolidate on last year's good performance by extending further its activities in the world's largest marketplace, the U.S.

Moët has just announced a 25 per cent turnover increase last year to FFr 5.75bn ($683.7m). Although final accounts have not yet been worked out, profits were also well up on the 1982 figure of FFr 339m. The company, always a favourite with foreign investors because of its strong international activities, has been one of the leading lights on the Paris bourse during the long-lived bull market, with the share price rising 75 per cent last year.

The U.S. economic recovery, coupled with the strong dollar, clearly adds up to a dream combination for Moët. M Jean-Louis Masurel, one of the company's two managing directors, has specific responsibility for U.S. operations and says that the group's overall American business is now worth more than $200m annually – about one third of Moët's total turnover.

Performance of Moët Hennessy

	Sales FFr(bn)	Net profit FFr(m)
1978	1.9	104
1979	2.3	162
1980	2.9	195
1981	4.2	343
1982	4.6	339

Source: Moët Hennessy

The company, which was formed out of the 1971 merger between Moët et Chandon, France's leading champagne maker, and Hennessy, its second biggest cognac producer has long trodden the path of product and regional diversification.

Apart from the cognac stake, Moët also ownes Christian Dior perfumes; its champagne and wine activities accounted for less than half of group turnover last year, and about three quarters of the turnover was accounted for by activities outside France.

Although the group is rapidly building up its Far East business, especially in cognac sales to Japan, the diversification drive has been strongest in the U.S.

The company's American activities are grouped around a holding company with four operating limbs – importing company Schieffelin, which distributes wine and cognac; M and H Vineyards, the group's sparkling wine producer in California's Napa Valley; Simi, which produces red and white wines in the nearby Alexander Valley; and the American division of Christian Dior perfumes.

In 1982 Moët also bought 90 per cent of Armstrong Nurseries, the second largest U.S. producer of roses, which is now starting up rose nurseries using revolutionary test-tube breeding techniques developed in French laboratories.

Armstrong was acquired for about $3m – a "snip," says M Masurel, considering its turnover is $18m – although Moët is now devoting considerable further sums to re-organising production and management techniques.

A commercial-scale loboratory for producing roses with the "in vitro" methods, already used extensively in France by the Delbard nursery company in which Moët owns a 24 per cent stake, was established near Los Angeles at the end of last year.

The laboratory will produce its first test-tube roses this spring, building up to full output of around 1m plants a year (produced with a growing time of only six to eight months) by the end of 1984.

In its mainstream drinks business, Moët has enjoyed a corking time in 1983. Volume champagne sales to the U.S. rose by 30 per cent. (The U.S. is the company's biggest foreign market, although for French champagne exports in general, Britain is now in No 1 position. Its California-produced sparkling wine, sold under the Domaine Chandon label and retailing at the quality end of the market at about $10 to $14 a bottle, achieved a sales increase of 40 per cent. "It was a remarkable performance," says M Masurel.

And Moët's Californian quality wines from the Alexander Valley also posted volume increases despite the celebrated foreign competition hitting Californian wine producers. M Masurel says the Simi wines' niche in the upper end of the market (around $9 a bottle) protected the vineyard from the ravages of the latest transatlantic wine war.

The one major gap in Moët's U.S. strategy is the lack of a distributor to sell its Rioc cosmetic products. M Masurel indicated that Moët could be turning its attention to plugging this loophole

M Masurel believes 1984 offers further "favourable" opportunities for continued U.S. sales increases even after 1983's heady rise. Although M Masurel says it clearly demands hard work, he points out that forecasting growth for leading Moët brands with well-established sales patterns is almost "a self-fulfilling prophecy."

Broströms gives up liners to offset big losses

BY KEVIN DONE IN STOCKHOLM

BROSTRÖMS, the beleaguered Swedish shipping group, is planning to transfer its liner service operations to Transatlantic, another Swedish shipping concern, as part of a drastic restructuring aimed at staving off financial collapse.

In return it will acquire a substantial shareholding in Transatlantic under the terms of an agreement in principle reached by the two groups yesterday.

The move could lead to a more far-reaching reorganisation of the Swedish shipping sector, where several companies have been hit by heavy losses in recent years.

As part of a financial rescue package, Broströms is also planning to write down its SKr 192m ($23.7m) equity capital by 95 per cent to SKr 10m to help cover losses, while calling on shareholders to pump in SKr 100m in new equity.

During the last nine years, Broströms has run up losses of more than SKr 1.7bn.

The new share issue is to be underwritten by Broströms' two main shareholders: Asken, the investment company controlled by Mr Erik Penser, the Swedish financier; and Investor, the investment company closely associated with Skandinaviska Enskilda Banken, Sweden's leading bank. Each hold around 25 per cent of the existing Broströms equity.

In another part of the rescue, Asken and Investor have already agreed to take over the one profitable Broströms' operation, its marine service division, in an attempt to give the troubled shipping concern an immediate injection of funds.

If the rescue goes through as planned, Broströms will be reduced to less than a quarter of its current size, with activities chiefly in bulk cargo trading.

Karstadt cuts will aid year results

By Rupert Cornwell in Bonn

KARSTADT, West Germany's largest store group, is expecting "satisfactory" results for 1983. This reflects cost cutting measures during the year, and a halving of losses at its Neckermann mail order subsidiary.

The group reports that sales by the parent company climbed last year by a modest 2 per cent – slightly less than the country's inflation rate – to DM 9.4bn ($3.4bn) including value added tax.

Its travel offshoot NUR Touristic, meanwhile, managed a tiny increase of 0.4 per cent in its business to DM 1.16bn, while Neckermann lifted its sales by 0.8 per cent to DM 1.63bn during 1983.

The cost cutting drive of Karstadt itself, which reported profit of DM 58.2m for 1982, is reflected in the cut in its workforce by 3,200 last year to 55,400. As a result personnel costs dropped by 3.5 per cent

Stet attempts to form link with multinationals

BY JAMES BUXTON IN ROME

STET, the Italian state telecommunications holding company, has been discussing with IBM and other multinational electronics companies the possibility of collaborating with them in the Italian market and possibly elsewhere.

Stet controls SIP, the principal Italian telephone utility, as well as several companies involved in making telecommunications and electronic equipment, including Italtel and SGS-Ates.

IRI, the state industrial holding company that controls Stet, said yesterday that the talks were aimed at reaching a "strategic agreement" with a multinational company. Discussions have been held with IBM and ITT, both of which have subsidiaries in Italy.

IBM Italia said yesterday that its policy was to make agreements with companies that had knowhow complementary to its own.

The "consultations" with the Stet group formed part of that strategy, the company said.

One possibility that has been mooted, according to some reports, is that when SIP goes ahead with its proposed national data transmission network it would give IBM or another company priority access to the enlarged market for data processing equipment thereby created. In return the foreign partner would assist other companies in the Stet group in developing and marketing *electronic products, both* in Italy and abroad.

The talks between Stet and multinational companies were given extra impetus by last December's agreement between Olivetti, the Italian data processing company, and the U.S. telecommunications giant, AT&T, under which AT&T and Olivetti agreed to exchange products and knowhow. One result of the agreement should be to strengthen Olivetti in telecommunications equipment and thereby put up more competition to Stet.

Alsthom holds income on improved sales

By Paul Betts in Paris

ALSTHOM ATLANTIQUE, the diversified French engineering group, will report net profits of about FFr 250m ($29.7m) for 1983, similar to the previous year's earnings, despite a fall in new orders last year.

M Jean-Pierre Desgeorges, chairman of the company controlled by the French nationalised CGE conglomerate, also says in a letter to shareholders yesterday that sales rose to FFr 21.6bn last year from FFr 18.6bn in 1982. This sharp increase in sales reflects Alsthom Atlantique's acquisition last year of the controlling stake in Compagnie Electro-Mecanique, the electrical equipment manufacturer, from the Swiss-based Brown Boveri et Cie engineering group.

Alsthom also took over last year the shipbuilding interests of Dubigeon, including a shipyard at Nantes.

M Desgeorges says that if the French Government is prepared to assist Alsthom's shipbuilding business with support similar to that enjoyed by foreign competitors, the company's shipyards, which include Saint Nazaire and Nantes, should win orders in the next few months to enable the yards to operate in "acceptable economic conditions" until the middle of next year.

Alsthom has been in the midst of a major controversy following the decision of the French Delmas-Vieljeux shipping group to order four cargo ships from Yugoslavia.

This order has now been blocked by the French Government, which last week announced a major aid programme for the country's shipbuilding industry involving, among other supports, a commitment to give five new orders to the troubled sector.

Alsthom is still hoping to win part of the Delmas-Vieljeux order. The French shipping group is understood to have proposed buying two of the cargo ships from Alsthom's Saint Nazaire yards for a price of about FFr 149m each and two from Yugoslavia for FFr 135m each.

The French order would entail support from the French Government since the cost of building a cargo ship in France is estimated at about FFr 400m.

But there is also another proposal to build two of the cargo ships in Saint Nazaire and two in South Korea in a technical collaboration deal between the Korean Hyundai yards. In turn, South Korea would order a submarine from Alsthom's Duhigeon yard at Nantes.

Heavy losses for Salzgitter steel group

By James Buchan in Bonn

SALZGITTER, the West German state-owned steel and industrial group, ran up losses of DM 630m ($230m) in the year to the end of September under heavy pressure from its steel and shipyard operations.

However, Herr Ernst Pieper, the group's chief executive, believes that Salzgitter could move back into the black in the medium term, with plans to cut back in minority holdings and to shrink the 14,000 strong steel workforce by a third by 1985. In 1981–82 Salzgitter made net losses of DM 44.8m.

In 1982–83, Salzgitter sales revenues excluding intra-group sales fell from DM 9.4bn to DM 9.3bn. Losses of DM 160m each were generated in the steel division and at Howaldtswerke-Deutsche Werft (HDW), the Salzgitter shipyard.

After losses last year of DM 90 per tonne in the steel division, Herr Pieper is predicting that firmer prices will continue into the second half of 1984 and cover costs, with production rising from the 3.1m tonnes of crude steel last year.

BASE LENDING RATES

A.B.N. Bank	9 %	■ Hambros Bank	9 %
Allied Irish Bank	9 %	Haritable & Gen. Trust	9 %
Amro Bank	9 %	■ Hill Samuel	§ 9 %
Henry Ansbacher	9 %	C. Hoare & Co.	† 9 %
Arbuthnot Latham	9 %	Hongkong & Shanghai	9 %
Armco Trust Ltd.	9 %	Kingsnorth Trust Ltd.	10 %
Associates Cap. Corp.	9½%	Knowsley & Co. Ltd.	9½%
Banco de Bilbao	9 %	Lloyds Bank	9 %
Bank Hapoalim BM	9 %	Mallinhall Limited	9 %
BCCI	9 %	Edward Manson & Co.	10 %
Bank of Ireland	9 %	Meghraj and Sons Ltd.	9 %
Bank Leumi (UK) plc	9 %	Midland Bank	9 %
Bank of Cyprus	9 %	■ Morgan Grenfell	9 %
Bank of Scotland	9 %	National Bk. of Kuwait	9 %
Banque Belge Ltd.	9 %	National Girobank	9 %
Banque du Rhone	10 %	National Westminster	9 %
Barclays Bank	9 %	Norwich Gen. Tst.	9 %
Beneficial Trust Ltd.	10 %	R. Raphael & Sons	9 %
Bremar Holdings Ltd.	9 %	P. S. Refson & Co.	9 %
Brit. Bank of Mid. East	9 %	Roxburghe Guarantee	9½%
■ Brown Shipley	9 %	Royal Trust Co Canada	9 %
CL Bank Nederland	9 %	■ J Henry Schroder Wagg	9 %
Canada Perm't Trust	10 %	Standard Chartered	‖ 9 %
Castle Court Trust Ltd.	9½%	Trade Dev. Bank	9 %
Cayzer Ltd.	9 %	TCB	9 %
Cedar Holdings	9 %	Trustee Savings Bank	9 %
■ Charterhouse Japhet	9 %	United Bank of Kuwait	9 %
Choulartons	10½%	United Mizrahi Bank	9 %
Citibank Savings	¶ 10½%	Volkskas Intnl. Ltd.	9 %
Clydesdale Bank	9 %	Westpac Banking Corp.	9 %
C. E. Coates	9½%	Whiteaway Laidlaw	9½%
Comm. Bk. of N. East	9 %	Williams & Glyn's	9 %
Consolidated Credits	9 %	Wintrust Secs. Ltd.	9 %
Co-operative Bank	* 9 %	Yorkshire Bank	9 %
The Cyprus Popular Bk.	9 %		
Dunbar & Co. Ltd.	9 %		
Duncan Lawrie	9 %		
E. T. Trust	9½%		
Exeter Trust Ltd.	10 %		
First Nat. Fin. Corp.	11 %		
First Nat. Secs. Ltd.	10½%		
Robert Fraser	10 %		
Grindlays Bank	‡ 9 %		
■ Guinness Mahon	9 %		

■ Members of the Accepting Houses Committee.
* 7-day deposits 5.5%. 1-month 6%. Fixed rate 12 months £2,500 9% £25,000 12 months 8.5%.
† 7-day deposits on sums of: under £10,000 5½%. £10,000 up to £50,000 6½%. £50,000 and over 7½%.
‡ Call deposits £1,000 and over 5½%.
‖ 21-day deposits over £1,000 6½%.
§ Demand deposits 5½%.
¶ Mortgage base rate.

Finance for Bell Resources

By Our Sydney Correspondent

AUSTRALIA'S Bell Resources, the thriving offshoot of Mr Robert Holmes à Court's master company, Bell Group, is raising A$50m (U.S.$46m) with the placement of 5m shares and 5m options.

Bell Group plans to take up 2m of the shares and 2m options, thus diluting its stake in Bell Resources from 78 per cent to 64 per cent.

Formerly called Wigmores, Bell Resources owns 1.55 per cent of Broken Hill Proprietary (BHP), and is negotiating to take a 5 per cent stake in the two Queensland coal consortia being formed as a result of BHP's acquisition of Utah International from General Electric of the U.S.

Placement of the remaining 3m shares and 3m options has been jointly underwritten by Ord Minnett and Potter Partners, the Australian share brokers.

BHP may build Darwin oil refinery

BY MICHAEL THOMPSON-NOEL IN SYDNEY

AUSTRALIA'S BIGGEST company, Broken Hill Proprietary, is considering building an A$300m (US$276m) oil refinery in Darwin in the Northern Territory to process about 50,000 barrels of oil a day from its Jabiru discovery in the Timor Sea.

According to Mr Paul Everingham, the Territory's Chief Minister, sites for a refinery are already being evaluated.

Jabiru, the discovery of which last year provided a major boost to both BHP's share price and to its reputation, is thought to contain at least 200m barrels of recoverable crude — perhaps far more — and could prove the tip of an important new oil province.

The port of Darwin is an appropriate site for a refinery development — it can already handle tankers of up to 60,000 tonnes and a A$450m power station is being built nearby, which will be operational by 1988.

The area around Jabiru, which is 118 miles off the Australian coast, is likely to be the scene of extensive exploration drilling this year. Further drilling at Jabiru and in an adjoining block is scheduled to start next month.

BHP's emergence as a major oil and gas producer underlines its determined push back into minerals and resources, and away from steel.

On Friday BHP announced a 111 per cent improvement in interim group net profits, to A$285.89m. According to the company the net profit of its oil and gas division in the six months to November 30 had risen to A$186.5m from A$138.9m in the same period of 1982.

The division sold its first export cargo of 598,000 barrels in November and further sales are expected in the first half of 1984.

BHP also has a major interest in the North West shelf natural gas project, Australia's biggest resource venture, as well as a 20 per cent interest in five exploration tracts in the seas off China. In addition, with other partners it is exploring for oil in Indonesia, Papua New Guinea, and in the U.S.

BHP said on Friday that it was concerned at proposals by the Labor Government to introduce a resource rent tax on petroleum production which would be in addition to normal corporate tax. The proposed tax "would penalise successful exploration and some existing development," BHP claimed.

● Rothmans of Pall Mall (Australia) achieved a 32.6 per cent increase in net profits for the six months to December 31 to A$19.8m (US$18.2m), and is raising its interim dividend from 22.5 cents to 30 cents a share on earnings up from 92 cents to 122 cents a share. Turnover was 10.4 per cent higher at A$362m.

The company, which is 50 per cent owned by Rothmans of the UK said an increase in excise tax in August and a substantial increase in tobacco licence fees caused a further decline in the Australian cigarette market.

The improvement in profits came from "better margins, a more skilled workforce, better organisation and management techniques, and the continuing upgrading of manufacturing facilities."

NBB net profits show rise of 10%

By Mary Frings in Bahrain

NET ORDINARY earnings at National Bank of Bahrain (NBB), which is 49 per cent government-owned, improved by almost 10 per cent last year from BD 11.4m to BD 12.5m (US$33.4m).

But assets rose by over 26 per cent to BD 561m in 1983 and the 2.49 per cent return on average assets compares with 2.74 per cent for 1982. The results of NBB's domestic branch network, its offshore banking unit (OBU), and a commercial branch in Abu Dhabi are consolidated. Traditionally NBB is not heavily involved outside the Gulf region.

Although earnings have been affected by the decline in international interest rates, Mr Nooruddin A. Nooruddin, the general manager, said higher commission income had been generated from syndicated lending, in which NBB is active as a lead manager. The bank had also made lower general provisions from loan losses and had controlled staff costs by better utilisation of manpower.

Loans, advances, and overdrafts increased by 22.5 per cent to BD 220.4m and time deposits with banks rose by 35.8 per cent to BD 285m.

On the liabilities side, there was a significant 90 per cent increase in deposits from banks to BD 175m, while customer deposits rose only seven per cent to BD 295.6m. Total shareholders equity stands at BD 56m.

The directors of NBB have recommended distribution of a 30 per cent cash dividend, compared with 15 per cent in cash and a one-for-three scrip issue in 1982.

Downturn in earnings at Lion Match

By Our Johannesburg Correspondent

LION MATCH, the 64 per cent owned South African subsidiary of Wilkinson Sword of the UK, which is, in turn, controlled by Swedish Match, suffered from increased competition in its non-match operations in the year to November 30 1983. Operating profits of R11.1m ($8.9m) before tax were earned on a turnover of R83.3m. In the preceding 14 months turnover was R88.8m and operating profits were R14.9m.

The directors say operating profits were affected by tighter margins in the toiletries, electrical appliances, and home hardware products division. Match sales held their own although export sales declined.

A dividend of 41 cents has been declared from earnings of 81.52 cents a share. For the 14 months to November 30 1982 earnings were 93.17 cents a share and a dividend of 46 cents was paid.

Arlabank lifts return on assets

BY OUR BAHRAIN CORRESPONDENT

ARLABANK International, a major Arab-Latin American consortium bank incorporated in Bahrain, has declared a consolidated profit for 1983 of U.S.$17.3m, after making provisions of just over U.S.$5m. This compares with U.S.$18.6m in 1982, when assets were 21 per cent higher and provisions were only U.S.$4.5m.

The return on average assets has improved from 0.92 per cent to 1.2 per cent, at the year-end, assets (excluding contra items) stood at U.S.$1.72bn.

The size of the loan portfolio was little changed at U.S.$1.2bn at the end of 1983. Of this, 69 per cent was committed to America, 17 per cent to Arab countries, and 9 per cent to Western Europe. Three-quarters of Arlabank's lending is to the public sector, and half the remainder is to banks and other financial institutions.

Non-performing loans amounted to U.S.$40.4m, or 3.28 per cent of the total portfolio, calculated on a conservative 60-day basis.

Arlabank International was incorporated in Bahrain last February as the parent company of the Arlabank group, a role which it took over from the six-year-old bank in Lima, Peru. At the same time it absorbed an offshore branch which had been operating in Bahrain since 1980, and Arlabank (Lima) became a wholly-owned subsidiary.

The move brought Arlabank under the supervisory umbrella of the Bahrain Monetary Agency (BMA) and enhanced its future prospects of obtaining a licence in New York and upgrading its London representative office into a full branch. It also went some way towards alleviating the deposit squeeze suffered as a result of the Latin American debt crisis.

Mr Werner Makowski, the general manager, said deposits in Bahrain had increased by 20 per cent since March, although the balance sheet shows an overall drop in deposits of U.S.$310m, to U.S.$1.42bn. During the year, Arlabank got some longer-term funding locked in with a U.S.$40m certificate of deposit issue.

Paid-up capital has been brought up to U.S.$200m, with a U.S.$25m contribution called in during 1983. In the second half of the year the shareholders also provided a U.S.$300m standby facility. Mr Makowski said the bank had drawn on U.S.$100m on a three-month basis, but expected to reduce utilisation of the facility.

While he did not hold out much prospect of growth during 1984, Mr Makowski said the refinancing of Latin American debt, in which Arlabank was fully co-operating, should cut the volume of non-performing loans by half.

Far from "twiddling its thumbs," he said, Arlabank is diversifying its activities, and expects to set up a number of subsidiary companies this year to get involved in trade between Latin America and the Arab world and to harness the very considerable funds at the disposal of Islamic financial institutions for the leasing of capital equipment.

It may also buy into existing trading companies or set up joint-venture partnerships.

JAPANESE RESULTS

DAIHATSU MOTOR
MOTOR MANUFACTURER

Six months	Dec 83 Y	Dec 82 Y
Revenues (bn)	221.0	196.0
Pre-tax profits (bn)	3.7	2.3
Net profits (bn)	2.3	1.9
Net per share	6.13	5.14
Dividend	2.5	2.5

PARENT COMPANY

FUJITEC
ELEVATORS

Year to	Sept 83 Y	Sept 82 Y
Revenues (bn)	36.0	28.0
Pre-tax profits (bn)	2.92	1.84
Net profits (m)	449.0	1,026
Net per share	7.42	16.97

CONSOLIDATED

KAJIMA
CONSTRUCTION

Year to	Nov 83 Y	Nov 82 Y
Revenues (bn)	943.0	863.0
Pre-tax profits (bn)	38.6	41.2
Net profits (bn)	17.1	18.1
Net per share	22.29	24.95
Dividend	9.0	9.0

PARENT COMPANY

KUMAGAI GUMI
CONSTRUCTION

Year to	Sept 83 Y	Sept 82 Y
Revenues (bn)	665.0	639.0
Pre-tax profits (bn)	36.2	38.1
Net profits (bn)	15.7	14.7
Net per share	45.73	42.84

CONSOLIDATED

NICHIEI
CONSTRUCTION MATERIALS

Year to	Dec 83 Y	Dec 82 Y
Revenues (bn)	124.0	120.0
Pre-tax profits (bn)	2.2	1.8
Net profits (m)	1,076	878.0
Net per share	17.05	17.69
Dividend	7.5	7.5

PARENT COMPANY

SHISEIDO
COSMETICS

Year to	Nov 83	Nov 82
Revenues (bn)	318.0	308.0
Pre-tax profits (bn)	28.7	28.3
Net profits (bn)	12.3	10.9
Net per share	59.3	52.4
Dividend	10	10

PARENT COMPANY

IHI ends Samsung capital link

SEOUL — A major Japanese heavy machinery maker, Ishikawajima-Harima Heavy Industries (IHI), has decided to end its capital tie-up with Samsung Heavy Industries because of a South Korean government policy against such business relations involving military equipment manufacturers.

IHI has already notified the Korean Commerce and Industry Ministry of the decision and it will become official at a Samsung shareholders meeting scheduled for February 14.

However, the technical assistance agreements between IHI and Samsung will not be affected. Samsung is the only South Korea-Japan joint-venture in the heavy industry field.

The decision followed Samsung's acquisition last year of the heavy equipment division of Hankook Heavy Industries. Samsung now plans to go into production of military equipment but the Seoul government bans overseas capital participation in defence-related South Korean companies for national security reasons.

The Tokyo-based IHI has a 5.6 per cent stake in Samsung HI which was jointly set up with Samsung in 1974, capitalised at 61.2bn won ($850m).

Nine IHI officials and employees have been working for Samsung HI. The company has grown into one of South Korea's major heavy machinery producers and the joint operation is generally regarded as a success.

Meanwhile Mr Kosaku Inaba, IHI's president, said that the decision to withdraw its capital from Samsung will not affect the existing co-operative relations between the two companies. He said IHI has been extending technical assistance in steel structural products to Samsung though they had to give up their original idea of jointly constructing a dockyard.

Kyodo.

Exports up 26% at Daewoo

SEOUL — Daewoo Corporation, a leading trading company in South Korea, reported U.S.$2.5bn in exports last year, a 26 per cent increase over 1982.

Ships and offshore structures comprised the company's biggest export category. Daewoo Corporation is the trading arm of the Daewoo Group, one of South Korea's large business conglomerates.

Of total exports, 46 per cent went to North America, 18 per cent to Asia, 17 per cent to Europe, and 15 per cent to the Middle East. The remaining 4 per cent went to other areas.

Total export sales of the company's ships and offshore structures reached $987m, a 76 per cent increase from a year earlier.

Daewoo's textile exports last year totalled $541m, a 3 per cent increase from a year earlier. Exports of steel and steel products by the company last year increased 8 per cent to $305m from a year earlier.

Mr Lee Kyung-Hoon, the company president, said a "market-oriented strategy" helped the company to achieve its 17th consecutive annual export increase. Daewoo Corporation was established in 1967.

● Daewoo Electronic is studying a plan to build a $100m electronic plant in the U.S. to produce colour television sets and microwave ovens.

The company has yet to decide on the scale, site and timing of the plant under study. Reports that the proposed plant would begin operation in the first half of this year with a combined annual production capacity of 300,000 units have been denied by Daewoo.

AP-DJ

Nintendo plans increased dividend

TOKYO — Nintendo, Japan's leading video-game company, is to raise its parent company dividend for the year ending August 31 to Y30 from the earlier planned Y20. This compares with Y17.50 paid in 1982-83.

The company is now predicting a pre-tax profit for 1983-84 of Y21.40bn ($91.2m), down from the earlier estimated Y24.50bn and compared with Y23.66bn a year earlier.

Nintendo anticipates a profit decline because of a fall in video game exports to the U.S. which carry a high profit margin.

Exports to the U.S. will fall to Y18bn from Y22bn a year earlier and royalty income from the U.S. is expected to fall to Y500m in the current year from Y2.90bn.

However, total sales are forecast as rising to Y73bn compared with Y65.11bn a year earlier.

● Four leading Japanese retailers announced that they each plan to make scrip issues.

Ito-Yokado, the country's second largest chain store, and Seven-Eleven Japan plan 10 per cent scrip issues. Seven-Eleven, one of Japan's fastest growing chain stores, is 51.5 per cent owned by Ito-Yokado.

From the issues, Ito-Yokado's outstanding shares will increase to 277.2m from 252m, while Seven-Eleven's shares will rise to 80.5m from 73.2m.

Ito-Yokado is forecasting parent company pre-tax profits of Y29bn for the year ending February 29, up from Y22.30bn a year earlier. It estimates sales at Y857bn up from Y789.24bn.

The company will make its scrip issue on April 16 for shareholders registered on February 29.

York-Benimaru, a supermarket chain 30.7 per cent owned by Ito-Yokado, plans a 15 per cent scrip issue for shares held on February 29. The issue will increase its outstanding share capital to 27.5m shares from 23.9m.

Jusco, Japan's fourth largest chain store, will make a 5 per cent scrip issue for shares held at the end of trading on February 20. Outstanding shares for the company will increase to 193.9m from 184.7m.

Tobu Store, a regional chain store, is also planning a 10 per cent scrip issue for shares held at the end of trading February 29.

The issue will increase Tobu Store's outstanding shares to 26.6m from 24.2m. Tobu Store is listed on the second section of the Tokyo exchange and is 51.6 per cent owned by Tobu Railway.

● Sanraku-Ocean, a major alcoholic beverage producer, has contracted to purchase a 25 per cent stake in a Japanese subsidiary of Remy Martin et Cie, France's renowned cognac maker.

Agencies

N. American quarterly results

ALCO STANDARD

First quarter	1983-84 $	1982-83 $
Revenue	809.5m	656.4m
Net profits	14.04m	11.45m
Net per share	0.63	0.55

AMERICAN STANDARD

Fourth quarter	1983 $	1983 $
Revenue	574.4m	537.8m
Net profits	18.0m	7.0m
Net per share	0.85	0.28
Year		
Revenue	2.18bn	2.12bn
Net profits	62.6m	36.6m
Net per share	2.27	1.30

CPC INTERNATIONAL

Fourth quarter	1983 $	1982 $
Revenue	993.0m	980.0m
Net profits	54.5m	73.7m
Net per share	1.13	1.52
Year		
Revenue	4.01bn	4.08bn
Net profits	191.6m	231.6m
Net per share	3.96	4.30

DOMTAR

Fourth quarter	1983 C$	1982 C$
Revenue	479.1m	413m
Op. net profits	16.4m	†4.5m
Op. net per share	0.90	†0.25
Year		
Revenue	1.82bn	1.69bn
Op. net profits	40.9m	9.1m
Op. net per share	2.22	0.49

† Loss

ENGELHARD

Fourth quarter	1983 $	1982 $
Revenue	473.8m	602.4m
Net profits	20.3m	17.2m
Net per share	0.75	0.64
Year		
Revenue	2.05bn	2.02bn
Net profits	73.5m	64.8m
Net per share	2.73	2.41

FMC

Fourth quarter	1983 $	1982 $
Revenue	947m	908.3m
Net profits	56.5m	46.7m
Net per share	1.67	1.38
Year		
Revenue	3.57bn	3.56bn
Net profits	168.8m	152.4m
Net per share	5.02	4.56

READING & BATES

Fourth quarter	1983 $	1982 $
Revenue	100.7m	154.4m
Net profits	6.3m	4.3m
Net per share	0.13	0.15
Year		
Revenue	433.8m	566.9m
Net profits	38.2m	75.6m
Net per share	1.05	2.43

WHIRLPOOL CORPORATION

Fourth quarter	1983 $	1982 $
Revenue	849.1m	493.7m
Net profits	31.79m	35.9m
Net per share	0.87	0.96
Year		
Revenue	2.87bn	2.27bn
Net profits	163.0m	136.2m
Net per share	4.47	3.75

WINN-DIXIE STORES

Second quarter	1983-84 $	1982-83 $
Revenue	2.02bn	2.15bn
Net profits	35.01m	32.87m
Net per share	0.86	0.79
Six months		
Revenue	3.85bn	3.74bn
Net profits	54.41m	53.64m
Net per share	1.32	1.30

UK COMPANY NEWS

Cosalt well on way to recovery

TRADING to date indicates that recovery is well on the way at Cosalt says Mr J. M. T. Ross, the chairman of this Grimsby-based group which has interests in ships' chandlery, caravans, refrigeration and finance and aviation.

As reported on January 18, group pre-tax profits for the year to August 28 1983 fell from £254,000 to £57,000, following poor results from the caravan division and continuing problems in tha system huilding subsidiary with its two Algerian contracts.

Mr Ross comments that it was a difficult year with many problems, but these have been faced and solntions found and applied. "Shareholders are assured of better news next time," he states.

The dividend in 1982-83 was cut from 3.5p net to 0.25p per 25p share. However, the board's major aim during the current year will be to restore the level of payment by increasing profitability and reduced borrowings.

During the year total horrowings increased from £6.62m to £7.03m and therefore interest charges remained high at £967,000 (£918,000). The chairman says reference was made last year to negotiations in hand to convert a proportion of the company's overdrafts into term loans. However, this was deferred until improved trading results make the required interest and profit covenants possible.

At the end of August 1983, both group net assets and shareholders' funds were little changed, at £9.25m (£9.23m) and £8.9m (£8.91m) respectively. Fixed assets came to £7.68m (£7.66m), while net current assets dropped from £3.51m to £3.02m.

Meeting, Grimsby, February 27 at noon.

Dura Mill

Pre-tax profit of Dura Mill in the half-year ended September 30 1983, was lower at £1,109 compared with £2,164. Invoiced sales and work done showed an improvement at £411,397, compared with £358,744. However, trading profit fell from £8,788 to £6,723.

Depreciation amounted to £1,306 (£1,389) and the interest charge was £4,308 (£5,235). Tax was £421 (£822) leaving earnings per share at 0.34p (0.67p).

Malaysia Rubber

Including dividends from associates of £35,714, against £21,429, pre-tax profits of Malaysia Rubber Co moved ahead from £50,407 to £77,015 for the nine months ended December 31, 1983.

After tax, £23,111 (£15,426), earnings per 10p share were 2.99p (1.94p) and, as already announced, the interim dividend is increased 50 per cent to 1.5p.

Net asset value per share was 196.67p, compared with 125.31p.

Morceau listing

Morceau Holdings, fire protection specialist, is seeking a full listing of its shares, Charterhouse Japhet confirms.

About thirty per cent of Morceau's equity is to be placed by James Capel, stockbrokers. Details will be announced on February 14 and dealing is expected to start on February 20.

Stronger pound contributes to Stocklake's midway fall

TRADING continued to be difficult for Stocklake Holdings in the first six months to September 30 1983, and pre-tax profits were lower at £1.47m, compared with £1.93m.

The directors of this company, with interests in exporting, importing and distributing, steel stockholding and financing, add that problems were posed by the strengthening of sterling against the currencies of countries in which it operated.

They say, however, that results so far for the second half show an improvement over tha corresponding period.

The first half's trading difficulties were outlined by Mr A. M. McKay, chairman, in his annual statement last October. Ha forecast that it would be hard to improve in the current year on the taxable profit of 1982-83, which totalled £4.22m.

This had been down on the nine-year peak of £4.92m for 1981-82 although, Mr McKay said, tha outcome had been satisfactory considering the lower level of business.

Turnover for the first six months of the current year was down at £12.02m, compared with £13.86m. Tha tax charge was £773,000 (£1m).

The interim dividend is maintained at 3p net per 25p ordinary share. Earnings per share were down at 16.5p from 22p. Last year's total dividend was 12p, as in 1981-82.

As of October 1983, Scottish and Mercantile Investment held 39.33 per cent of the company, including 27.17 per cent held by Scottish Cities Investment Trust.

● comment

The diversified holding company commanding a glamour rating, which was Stocklake in the mid-sixties hardly bears much resemblance to the Stocklake of today. Long gone are the industrial parts and now the company resides as an overseas trader with a commitment to Central Africa. Historically that exposure has served shareholders reasonably well though in the last couple of years profits have started to slide. In explanation for a 25 per cent profits setback, owners are treated to a thin statement that trading is difficult and currency movements adversely affected the figures. Investment trusts managed by Rea Brothers hold around half the shares and the directors consistently remain tight lipped about factors behind the results. Yet they do say the second half is up so far. If second half profits are up a tenth, though perhaps there is little justification for such an assumption, the fully taxed prospective p/e at 173p drops to under 4. Where once there was "glamour," today read "high risk."

BOARD MEETINGS

The following companies have notified dates of board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available as to whether the dividends are interims or finals and the subdivisions shown below are based mainly on last year's timetable.

TODAY

Interims: Fashion and General Investment, Gold Fields of South Africa, Howard Shuttering, M.L. Holdings, Meat Trade Suppliers, Unitech.

Finals: Aaronson Brothers, Crescent Japan Investment Trust, George Dew, English and New York Trust, New Tokyo Investment Trust, Ozalid, Throgmorton Trust, Vantona Viyella.

FUTURE DATES

Interims—	
Sarsett Developments	Mar 13
Dalgety	Feb 13
Press Tools	Feb 13
Stonehill	Feb 10
Finals—	
Anglo American Securities	Feb 8
Bank Leumi (U.K.)	Feb 9
Bio-Isolates	Feb 14
Channel Islands and International Investment Trust	Feb 10
General Accident Fire and Life Assurance	Feb 29
Leisuretime International	Feb 8
Liberty Life Association of Africa	Feb 24
Low and Bonar	Mar 28
S.K.F.	Feb 29
TI	Mar 15
United Biscuits	Mar 15

Duncan Lawrie profit over £0.4m

WITH ALL departments enjoying a successful year, Duncan Lawrie, the banking arm of Walter Duncan and Goodricke, has increased its profit before tax from £356,608 to £404,888 for 1983.

There was a "marked increase" in the level of business transacted. The directors are confident that the company will continue to grow and prosper. It operates from a sound base but is sufficiently small to take advantage of opportunities that arise.

After tax £117,884 (£160,597) and expenses of increasing the capital £14,000 (nil), the net profit came out at £273,004 (£196,011). The dividend absorbs £50,000 (£40,000) and the cumulative carry forward is £1.21m (£987,812).

Year end assets totalled £23.49m, compared with £19.03m a year earlier. Cash and short-term funds stood at £10.9m (£10.72m), advances £3.5m (£1.83m) and acceptances £1.06m (£0.72m). Investments of £2.56m (£1.81m) included quoted £2.12m (£1.5m) with a market value of £4.23m (£2.83m); unquoted and object d'art were £442,525 (£306,525) and valued by the directors at £463,033 (£306,525). Quoted investments included a holding of 10.36 per cent (7.64 per cent) in the ordinary capital of Brown Shipley.

Reporting on the year, tha directors state that the upward trend in the number of corporate and private customers using the banking services was maintained throughout. Currency accounts showed a substantial increase as did the number of foreign exchange transactions, no doubt in some measure due to the volatility of the world's major currencies.

Growth also took place in the list of correspondent banks, and in the documentary letter of credit business.

There has been a high level of activity in corporate finance services and Duncan Lawrie foresees in 1984 opportunities for broadening its advisory services to small companies, in particular in relation to Business Expansion Schemes.

In portfolio management the year has seen consolidation and progress. Both the Guernsey unit trusts and the three authorised unit trusts which were taken over in September 1982 have performed satisfactorily. These now provide Duncan Lawrie with a platform for growth.

The private client base continues to grow, both in the UK and abroad. This growth will be facilitated in the coming year by the new computer software programme that was brought into use in 1983.

A particularly promising new development has been the special service for members of Lloyd's which Duncan Lawrie now provides.

At Duncan Lawrie Guernsey the level of business, staff and profits grew notably and transactions in hand at the end of the year promise a high level of activity throughout 1984.

Concentration on personalised offshore management services for non-UK residents has tapped a market which provides scope for increasing contact and co-operation with overseas associates and friends.

With increasing activity in all departments, additional staff were recruited during 1983 and consequently the existing accommodation in 1 and 2 Hobart Place became barely adequate. The lease of the adjoining property has been acquired and the premises ara now being refurbished for use, initially, by the corporate finance and portfolio management departments.

Receivers appointed to Oceanus Mutual

LLOYDS BANK has appointed receivers to the Oceanus Mutual Underwriting Association (Bermuda), a protection and indemnity insurance organisation. Price Waterhouse, the accountants, have named as joint receivers Mr Richard Kempe of Hamilton, Bermuda and Mr Brian Larkins of London.

About 1,000 members, whose insurance programmes are managed by Oceanus, are being informed. The payment of claims is suspended and Price Waterhouse said that in the circumstances "members are being advised that they should seek cover elsewhere, particularly as the receivers are unable to provide funds to enable Oceanus to put up security in the event of claims against members. No new risks are being accepted."

Oceanus has recently been involved in several insurance disputes in London.

* * *

Juliana's Holdings has acquired the business of Dyas Marquees for £180,000.

Dyas, which supplies marquees on hire terms, is based in Southampton and the deal includes a freehold property there.

Juliana's obtained a full listing in June 1983.

* * *

Sanderson Freight has been taken over by the Unicredit Group of Companies.

Unicredit commenced trading in Liverpool in 1976 and now has divisions and subsidiaries in London, Bradford, Birmingham and North Wales.

Unicredit had a turnover last year of £12m.

Heelamat picks up to £0.14m midterm

PRE-TAX profits of Heelamat Holdings, heel bar operator, recovered from £75,000 to £136,000 for the 26 weeks ended October 29 1983, and the interim dividend is maintained at 2p net per share.

The directors of the USM concern explain that while the recovery is particularly gratifying, shareholders should not expect this percentage increase to be sustained for the full year.

Progress has been maintained during the second half, the company, in line with other retailers, benefiting from the good trading conditions in the period leading up to Christmas, directors state.

Traditionally the fourth quarter is the group's most profitable, and provided trading levels continue at the present rate, there should be a satisfactory outcome for the year.

For the whole of last year profits amounted to £401,000 (£382,000) and dividends totalled 5.6p.

Turnover for the 26 weeks increased from £2.41m to £2.6m and after a tax charge of £71,000 compared with £39,000, undiluted earnings per 10p share were 2.1p (1.2p). Fully diluted they came out at 1.2p, against 0.6p.

Tha company has continued to upgrade the quality of its units by refurbishment, and has re-sited others to better locations, the directors point out. Heelamat currently trades from 100 units, having opened five and closed three smaller ones.

● comment

The upturn in Heelamat's fortunes comes from a very low base and still leaves it well below peak performance. Profits in the comparable period slid to £75,000, apparently due to the effect on its commuter customers of the 1982 rail strike, since when earnings rebounded to £326,000 in the second half of last year. The subsequent decline to £136,000 is explained by normal seasonal patterns. Heelamat's high fixed labour overheads make it peculiarly sensitive to volume fluctuations, so its customers will not have to wear out very much more shoe leather than they did last year to lift 1984's profits above £500,000. But that will still be far short of the £606,000 the group made in the first year after its flotation, since when the number of units has increased slightly and it has attempted to improve efficiency and curb costs by reorganising its central warehouse. The shares slipped 2p to 80p, where the historic yield is just over 10 per cent.

Westminster Prop.

The low level of activity experienced by Westminster Property Group in the year ended September 30 1983, and the need to provide £150,000 against rent receivable from a tenant who liquidated, has led to a pre-tax profit fall from £147,000 to £28,000. The company is 97.8 per cent owned by Milbury and is expected to be fully owned by March 31.

After tax £120,000 (£64,000) and costs incurred advising shareholders on acquisition £247,000 (nil), there is a loss attributable of £339,000 (£89,000). There is no dividend, against 0.625p.

Since the year end the level of activity has been substantially higher, and this has been reflected in the letting of previously unlet developments, and in the level of trading. The property occupied by tha liquidated tenant has been sold.

Vitatron NV

Vitatron NV, Dutch manufacturer of heart pacemakers, was heading for a 1983 loss of Fl 2.4m (£0.54m), according to Mr Leunis Rodenburg, financial controller. This corrects the figure given in Saturday's edition.

Plaxtons

At the Plaxtons annual meeting Mr F. W. Plaxton, chairman, told members that with one-third of the current financial year gone, it was still not possible to predict the eventual outcome with any accuracy. He said there was still some reluctance to commit by the private sector in the coaching industry.

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corresponding div.	Total for year	Total last year
Heelamat‡ ...int.	2	May 4	2	—	5.6
Stocklake Holdings...int.	3	—	3	—	12

Dividends shown pence per share net except where otherwise stated.
* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. ‡ USM stock. § Unquoted stock.

MINING NEWS

Western Mining boosts first-half earnings

BY KENNETH MARSTON, MINING EDITOR

AUSTRALIA'S Western Mining has done well in the first half of the year to end-June. Accounts based on the equity method show a consolidated operating profit of A$18.1m (£11.7m) compared with only A$1.24m a year ago.

The latest earnings equal 6 cents per share and the interim dividend is raised to 2 cents from 1 cent. Under the old conventional accounting system the latest net operating profit comes out at A$12.3m against A$3.4m a year ago.

Western Mining has been helped in the latest period by higher sales of nickel—24,894 tonnes against 20,849 tonnes—and increased prices for the metal. In U.S. dollar terms the average price rose by 2.5 per cent, but owing to a favourable exchange rate movement the price realised in Australian dollars was up by 11.1 per cent.

The group's gold sales were also higher (apart from those of the 50.5 per cent-owned Central Norseman) and amounted to 83,294 oz against 45,125 oz a year ago.

Among other helpful factors, Western Mining required no provision for the writing-down of nickel stocks compared with a provision of A$7m a year ago. Less was written off exploration and higher earnings were achieved at the 30.5 per cent-owned aluminium-producing Alcoa of Australia.

On the other hand, Central Norseman suffered a setback in gold production to 31,244 oz from 44,153 oz mainly because of lower ore grades. Although the latter company received a higher gold price, its costs rose and interest income dropped to A$81,000 from A$396,000 as a result of lower surplus funds.

Central Norseman thus reports a fall in first-half profit to A$2.3m from A$5.84m a year ago. The interim dividend is reduced to 7.5 cents from 20 cents.

Western Mining notes that nickel prices remain at very low levels and that the profit from nickel operations is still minimal. Gold prices have weakened but the aluminium metal price is firm. Alumina is in oversupply.

As far as the outlook for the second half of its year is concerned, the company ventures only that results "will depend greatly on metal prices as well as the movements in the U.S.-Australian dollar exchange rate."

Aluminium is the key to Amax

ALUMINIUM is set to bring about a recovery in fortunes this year of Amax, the diversified U.S. natural resource major. As reported on Saturday, the company suffered a worst-ever loss for the final quarter of 1984 of $366.9m (£256.9m).

This included a $308.8m write-off against the molybdenum and copper interests, both of which have been hit by weak metal prices. The total Amax loss for 1983 amounts to $489m, or $7.74 per share, compared with a loss of $390.1m in 1982.

Unabashed, Mr Pierre Gousseland, the chairman, pointed out in London yesterday that whereas the steel industry metal, molybdenum, once provided 65 per cent of the company's earnings, "we expect to earn more from aluminium this year than we ever got from moly even in the best years."

While the prices of many other metals have yet to respond to economic recovery, aluminium has been striding forward. And the key to the hopes this year of Amax is the acquisition last September of the Howmet aluminium subsidiary of the French state-controlled Pechiney.

This acquisition, which was believed to have been made on very advantageous terms — in October last year Mr Gousseland described the deal as "one of these rare but beautiful transactions in which everybody benefits"—has so far contributed little to Amax revenue. But the picture is now changing.

Mr Gousseland said yesterday that Amax now has three main sources of revenue. Firstly, there is energy comprising coal, oil and gas, which should do better this year, earning some $200m at the pre-tax level (Amax has large accumulated tax losses). Secondly, there is aluminium, which should provide about the same income, well ahead of last year. Thirdly, there are the various other metal interests.

Of the energy interests, oil and gas account for about 25 per cent and this is divided about equally between the North Sea interests and those in the U.S.

Most of the latter are involved in the recently announced deal whereby Amax is selling a 50 per cent stake in U.S. oil and gas assets for $83m to the UK Britoil group.

Mr Gousseland said that the latter joint venture deal provides funds for the faster development of the properties involved; it was doubtful whether Amax could have been able to go it alone. He added that Amax was considering other joint venture possibilities with Britoil elsewhere than in the North Sea.

Fund raising for Renison

A SHARE PLACING to raise something like A$27m (£18m) has been arranged by Renison Goldfields Consolidated, the Australian arm of London's Consolidated Gold Fields.

Some of the shares will be issued direct to the London parent to pay for its 50 per cent share in the joint exploration programme in Australia and the south-western Pacific area, which Renison has agreed to purchase for A$4.7m.

A further 2m shares will also go to Gold Fields in payment for its 50 per cent interest in New Guinea Goldfields, making Renison the sole owner.

The remainder will go towards working capital and the establishment of an investment division with particular emphasis on Australian mining and resource stocks.

Apart from the shares being issued direct to Gold Fields, the London group will take up enough of the placement to maintain its holding in Renison at 48.95 per cent.

The placement is made up of 7.14m ordinary shares and 547,224 deferred ordinary shares, at prices of A$3.60 (240p) and A$3.45 respectively. This compares with yesterday's London closing level for the ordinary of 246p.

Centennial

The Vancouver-based Centennial Minerals has reached an agreement with the privately-owned ABM Mining Group under which it may eventually acquire full ownership of ABM's Orogrande gold prospect near Elk City, Idaho.

Insufficient exploration work has been done on the 10,000-acre property to allow an estimate of proven or probable ore reserves, but Centennial states that one particular area contains "current geologically possible ore reserves" of between seven and 10m tons, grading between 0.04 ounces (1.24 grammes) and 0.06 oz of gold per ton.

This estimate has been based on "numerous surface examples and one drill hole," the company states.

The agreement calls for an immediate payment to ABM of U.S.$200,000 (£143,000), with Centennial spending a further $800,000 on exploration before June 1986. In addition, a total of 350,000 Centennial shares will be issued to ABM.

Gencor Investment pays interim of 65 cents

THE NEWLY-FORMED Gencor Investment Corporation has produced an interim report for the six months to December 31 showing attributable profits of R32.87m (£18.4m). An interim dividend of 65 cents (36p) has been declared on the enlarged capital.

The company is the main investment holding company in the General Mining Union Corporation (Gencor) group, and combines the interests of the merged UC Investments and Sentrust companies.

UC Investments changed its name on the merger to Gencor Investment, and its financial year-end moved from December 31 to June 30. The next annual report will cover the 18 months from December 31, 1982, to June 30, 1984.

The main departure from the accounting practices of the former UC Investments is that the surplus on realisation of investments, amounting to R2.04m, is taken direct to general reserve, in line with the policies of Sentrust.

Earnings including such dealings are shown as 108 cents per share, or 101.6 cents excluding investment transactions.

The company has already paid an interim dividend of 50 cents and a special interim on the merger of 20 cents. These two payments were made on the capital of UC Investments alone, in the last full year.

Gencor Investment's net asset value per share is shown as 2,828 cents (£15.78), which compares with yesterday's London closing price for the shares of £11¼.

DEVOE-HOLBEIN INTERNATIONAL N.V.
Curaçao, Netherlands Antilles

Notice is hereby given to shareholders that the Common Shares of the Company have been split to the effect that each share of US $ 0.25 par value has become two and one half (2½) shares of US $ 0.10 par value.

New stock certificates are in the process of being printed to replace the present certificates. Pending this each present certificate shall be recognized from the effective trading date of January 24, 1984 to represent two and one half times the number of shares stated on the certificate.

January 31, 1984.

DeVoe-Holbein International N.V.

WERELDHAVE

N.V. Beleggingsmaatschappij Wereldhave
(investment Company with variable capital)
23, Nassaulaan—P.O. Box 85660
2508 CJ The Hague, The Netherlands

Extraordinary Shareholders' Meeting

Notice is hereby given that the Extraordinary Shareholders' Meeting convened for 8th February, 1984 has been postponed and will now be held at the Babylon Hotel, 35, Koningin Julianaplein, The Hague at 2.00 p.m. on Wednesday, 7th March, 1984.

By Order of the Board of Management

The Hague
7th February, 1984

Granville & Co. Limited

Member of NASDIM
27/28 Lovat Lane London EC3R 8EB Telephone 01-621 1212

Over-the-Counter Market

1983-84 High	Low	Company	Price	Change	Gross div.(p)	Yield %	P/E Actual	P/E Fully taxed
142	120	Ass. Brit. Ind. Ord.	125	—	6.4	5.1	7.3	8.5
158	117	Ass. Brit. Ind. CULS	139	—	10.0	7.3	—	—
78	62	Airsprung Group	75	—	8.1	8.1	21.4	21.4
38	21	Armitage & Rhodes	27	—	—	—	—	—
310	141½	Bardon Hill	310	+ 2	7.2	2.3	12.7	25.7
57	53	Bray Technologies	57	—	2.7	4.7	10.4	11.1
200	197	CCL Ordinary	197	—	5.0	2.5	4.5	8.3
151	121	CCL 11pc Conv. Pref.	147	—	15.7	10.7	—	—
285	100	Carborundum Abrasives	285	—	5.7	2.0	—	—
249	100	Cindico Group	103	—	17.6	17.0	—	—
63	45	Deborah Services	51	—	6.0	11.8	27.3	44.3
198	75	Frank Horsell	198	—	—	—	8.2	13.7
185	75½	Frank Horsell Pr Ord 87	185	—	8.7	4.7	7.7	12.8
69	36	Frederick Parker	36	—	7.1	19.7	2.3	3.8
39	32	George Blair	34	—	—	—	—	—
80	46	Ind. Precision Castings	46	—	7.3	15.9	12.7	15.9
246	134	Isis Conv. Pref.	246	—	17.1	7.0	—	—
121	81	Jackson Group	117	—	4.5	3.8	6.1	12.0
242	169	James Burrough	242	—	11.4	4.7	13.4	13.8
345	276	Minihouse Holding NV	340	− 2	4.0	1.2	25.5	31.2
176	110	Robert Jenkins	110	—	20.0	18.2	12.8	8.8
74	60	Scruttons "A"	60	—	5.7	9.5	10.0	7.2
120	67	Torday & Carlisle	67	—	2.9	4.3	—	—
440	385	Travian Holdings	440	—	—	—	9.0	8.2
26	17	Unilock Holdings	18	—	1.0	5.5	11.8	17.1
90	65	Walter Alexander	88	—	8.8	7.9	7.5	10.0
276	238	W. S. Yeates	238	− 1	17.1	7.2	3.7	7.8

UK COMPANY NEWS

Immediate Business £1.23m deficit

ALTHOUGH GROUP operating costs for Immediate Business Systems were generally as expected during the six months ended September 30 1983 the pace of market penetration and system installation was slower than anticipated.

As a result of delay in income the group incurred a pre-tax loss for the period of £1.23m, which compares with a deficit of £0.79m for the opening half of the previous year.

The directors say it has clearly taken more time and money than was originally expected to reach the point that the group has now attained in its various markets world-wide.

They point out that the results have been a strain on the financial resources, but say they are encouraged by the conversion of potential into contracted orders and remain confident that the group's products (computer systems) will continue to gain acceptance in market places.

The board has been strengthened by the appointment of Mr G. H. Griffiths as executive vice-chairman and the group's management structure has been reorganised so as to concentrate its resources more effectively.

In the accounts for the year to March 31 1983 potential sales of £5m were reported. The interim report reveals that nearly £4m of those have been contracted and supply of the systems is "under way."

Since the end of the period under review revenue from some of these confirmed orders has begun to flow to the group.

Further potential orders referred to of some £4.5m are being actively pursued, such as the opportunity to provide a substantial combined billing and data capture system in the Middle East.

Group turnover for the first six months amounted to £294,000 (£206,000). Attributable loss emerged at £1.23m (£788,000), equal to 18p (15p) per 10p share—these are traded on the USM.

The contract with the South of England Electricity Board is now nearing completion, although licence fees and maintenance income will continue.

In Europe the group has won a contract for another pilot utility billing installation. This utility alone represents a full systems sales potential of around £1m — the directors consider this an important breakthrough in Europe.

In the U.S. installation of the portable billing system in Huntsville, Alabama, has been completed and is the first of its kind in the U.S.

Numerous utilities have expressed interest in seeing the system in live operation. Revenue for this installation was received after the half year end.

During the half year IBS committed "considerable" resources to the final development of data capture products, designed to meet the changing demands of the American utility companies.

Return from this investment is now being demonstrated by the commencement of deliveries in the U.S. to Arizona Public Services and the Allegheny Power Group — the combined sales value of these two contracts is some £3.5m.

In Canada, IBS has recently been selected for a pilot capture system by Montreal-based Hydro Quebec, the largest utility in North America. In addition, IBS has been contracted to begin specification work for a data capture system for Potomac Electric Power Co. which is the utility serving Washington DC.

The potential sales values of these two systems will be between $3m and $4m. A new and "potentially substantial" opportunity for IBS is being researched by the Canadian postal service.

The group intends both to distribute products and to offer a postman-based data capture service to the Canadian utility industry — IBS has been selected as the potential product supplier, subject to contract.

Since September 30 last a number of FW 50 portable computers have been sold in the UK, mostly as evaluation units prior to volume orders. The UK sales force for this general purpose computer has been strengthened.

The group's marketing arrangement of the IBS bubble cassette with Fujitsu has progressed satisfactorily. Sales of this memory device have been made recently and directors are encouraged by the progress.

Accountants to contest claim from insurer

THE IRISH accountancy firm, Oliver Freaney and Co is ready to defend itself against any legal proceedings that might be taken in connection with the affairs of the troubled Irish insurance company, PMPA.

The firm acted as auditors to PMPA, which was effectively taken over when the government appointed an administrator amid claims that the group had under-provided for insurance claims to the extent of I£100m.

The government-appointed administrator, Mr Kevin Kelly, a partner in Coopers and Lybrand in Dublin, wrote to Oliver Freaney seeking compensation to cover the group's losses. He said he believed the auditors' accounting policies could have contributed to the losses at the group. Mr Kelly might be seeking up to I£20m.

Oliver Freaney said that all it heard so far had been vague assertions. "However, if the administrator of the PMPA institutes legal proceedings as indicated, they will be most vigorously defended.

The firm qualified the last two sets of accounts of the PMPA because it was unhappy about the methods used for providing for future claims.

Brit. American Tst.

The net asset value per 25p ordinary share of British American and General Trust stood at 105.3p at December 31 1983, compared with 86.4p 12 months previously, and 106.8p last June.

Gross revenue for 1983 was up slightly at £2.98m, against £2.51m. Administration expenses took £190,145 (£172,034) and interest totalled £535,407 (£253,497). The tax charge was £826,619 (£722,537), giving net earnings of £1.39m (£1.33m).

The final dividend is maintained at 1.6p net, making a same-again total payment of 2.6p. Earnings per share rose from 2.64p to 2.77p.

Jayplant growth

Better trade on the hire side has enabled Jayplant to more than treble its first half profit, from £16,000 to £54,000 pre-tax.

Turnover for the period, ended November 30 1983, improved marginally from £738,000 to £779,000, with the hire side offsetting a decline in plant sales.

The directors of this USM company say the general upward trend in the building and construction industry in recent months has enabled the improved performance to continue. They intimated last November that they were hoping to pay the first-ever dividend this year, but they are not declaring an interim.

After tax £20,000 (£6,000) the half year net profit came out at £34,000 (£10,000) for earnings on a revised basis of 0.948p (0.264p) per share.

Priest Marians

Priest Marians Holdings, property investment company, returned pre-tax profits of £1,596 for the 10 months to December 31 1983, compared with losses of £26,734 for the preceding 10 months.

The figures included gross interest receivable of £12,517 (£12,112) and realised investment gains of £12,266 (£17,999 losses) and were after deducting general expenses and pensions of £9,355 (£8,394) and property expenses of £13,832 (£12,453).

Net current assets at end-December 1983, amounted to approximately £170,000, including investments at market value £160,000 (cost £133,000).

STOCK EXCHANGE BUSINESS IN JANUARY

Equity turnover at peak

BY GRAHAM DELLER

INSTITUTIONAL BUYING coupled with strong selective demand for leading UK "blue-chips" from U.S. sources, boosted equity turnover on the Stock Exchange to record levels last month.

There were 21 business days in January, one more than December.

Equity turnover in January, traditionally a buoyant month, showed an unprecedented rise of £2.44bn. or 54.9 per cent, to £6.89bn. The number of equity bargains jumped 167,880 to 520,243, but the average value per bargain fell slightly to £13,200.

The Financial Times turnover index for ordinary shares advanced to an all-time peak of 1,229.6 against December's 793.7 and the previous record of 965.8 recorded in March

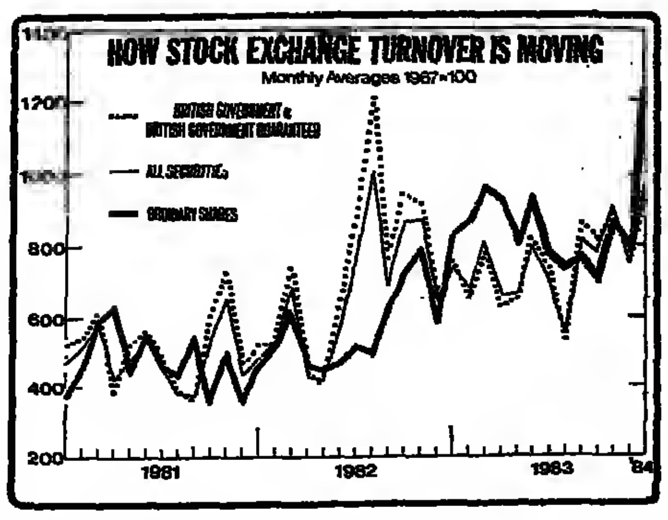
Initially, investment enthusiasm was stimulated by the usual batch of new-year recommendations; buying accelerated following further indications of a general improvement in worldwide economies, including the CBI's most optimistic business survey for over five years. Persistent American support of major UK industrial concerns such as ICI, Glaxo, British Petroleum and Bowater—all constituents of the FT-30, helped the Industrial Ordinary Index to progressive peaks during January, attaining an all-time high of 840.5 on the 25th before easing slightly to close a net 55.7 points up on the month at 831.4.

The strength of the U.S. dollar against sterling, allied with revived worries about short-term U.S. interest rate trends held gilt-edged prices in check with the FT Government Securities index ending the month slightly lower at 83.02.

Gilt-edged turnover however, showed an appreciable increase, rising £3.99bn, or 21.5 per cent to £22.58bn. Trade in short-dated stocks advanced £3.42bn, or 32.9 per cent to £13.80bn, and in longer-dated maturities by £573m, or 7 per cent to £8.78bn.

The Financial Times turnover index for Government Securities was 955.6 — the highest since the all-time peak of 1,207.4 recorded in August 1982.

Business in All Securities during January rose £7.20bn, or 29.4 per cent to £31.70bn,



Category	Value £m	% of total	Number of bargains	% of total	Average daily value £m	Average bargain value £000's	Average no. of daily bargains
BRITISH FUNDS							
Short dated (5 years or less to run)	13,800.8	43.5	28,847	4.6	657.2	478.4	1,374
Others (over 5 years)	8,776.4	27.7	49,070	7.7	417.9	178.9	2,336
TOTAL	22,577.2	71.2	77,917	12.3	1,075.1	289.8	3,710
IRISH FUNDS							
Short dated (5 years or less to run)	733.4	2.3	3,192	0.5	34.9	229.8	152
Others (over 5 years)	445.9	1.4	1,969	0.3	21.3	226.5	94
UK LOCAL AUTHORITY	477.9	1.5	4,038	0.6	22.8	118.4	192
OVERSEAS GOVERNMENT	163.9	0.5	1,824	0.3	7.8	89.9	87
OTHER FIXED INTEREST	414.6	1.3	24,695	3.9	19.7	16.8	1,176
ORDINARY SHARES	6,890.4	21.8	520,243	82.1	328.1	13.2	24,773
TOTAL	31,703.3	100.0	633,878	100.0	1,509.7*	50.0*	30,184*

*Average of all securities.

BIDS AND DEALS

Aero pays preference arrears in bid salvo

By Ray Maughan

Aero Needles, defending a £3.2m bid from the UK arm of Illinois-based Newell Furnishings, has paid off the arrears on all its preference dividends. On February 3, Aero paid off the outstanding £118,000 backlog on the convertible preference shares.

The payment form the cornerstone of Aero's defence. It leaves the knitting needle manufacturer free to resume payments on its ordinary capital.

Accordingly, the board is declaring a 1p per share interim dividend "which will be paid as soon as practicable after the Newell offer lapses. A final of 1.5p per share has also been recommended for 1983 which, with the declared interim, "represents the highest ever annual rate of dividend declared on the existing issued ordinary shares."

Aero's confidence that Newell will indeed lapse its offer stems from the stability of its share price—20p ahead of Newell's 60p per share cash offer and unchanged yesterday—and the trading improvement new management has achieved.

The board, headed by Midlands industrialist Mr Frank Cole, revealed yesterday that pre-tax profits last year rose by 214 per cent to £588,000. Subsidiary companies, moreover, will be carrying forward "significant" tax losses and 1983 earnings per share, after taking account of the annual cost of all the preference dividends, amount to 10.4p.

The profits upturn stems from better margins which, in turn have come from earlier investment in the Lakeside factory and loss elimination to the point where the trading return on sales has risen from 3.5 per cent to 8.8 per cent in the last three years.

Exports have been restored to over 40 per cent of turnover and debt has been cut by £230,000. Aero believes that it can cut borrowings further and says that it is "financially well placed for the future."

Shareholders are advised to keep the benefits of "a strong range of established, experienced management and an improving financial position and not let Newell grab them on the cheap."

Gulf Fisheries sells 6m Lonrho shares for £7.8m

Gulf Fisheries, the large Arab shareholder in Lonrho, the international trading conglomerate, has disposed of 6m of its Lonrho shares in a deal worth £7.8m.

The stake of the Arab interests in Lonrho is now reduced from 14.34 per cent to 12.1 per cent. The disposal of the shares was carried out on January 31 and February 3.

The shares, largely held in nominee companies, were sold through Merrill Lynch and an unidentified London stockbroker. The average price of the disposal of the shares was 130p per share.

Mr Tom Ferguson, the Gulf representative in London, said yesterday that the move represented part of the "game plan" in disposing of the shares in Lonrho. "We wanted to take advantage of the super market in Lonrho shares. It is the best price we have ever seen."

Lonrho has already complained to the Stock Exchange about the disposal of 2m shares on August 23 by the Arab interests—the day the Department of Trade and Industry appointed an inspector to investigate the House of Fraser share register—Lonrho holds a 29.99 per cent stake in Fraser.

Mr Ferguson said yesterday that he felt the move by Lonrho was part of a pre-emptive manoeuvre ahead of any protest that Gulf Fisheries might make about Lonrho's figures and report and accounts. Lonrho's preliminary results are due out on Thursday.

The 6m shares of Gulf Fisheries are understood to have been placed with a range of buyers in the stock market.

Agreed £2m bid for Scan Data

Audiotronic, the importer and distributor of electronic communications equipment, yesterday revealed an agreed £2.23m share offer for Scan Data, the USM-quoted computing group.

Audiotronic is to offer nine of its own shares for every two Scan Data shares. With Audiotronic shares ending unchanged yesterday at 22p, this values Scan Data shares at 99p apiece. Scan Data's shares slipped by 5p to 95p yesterday, after jumping from 76p on Thursday last week.

Mr Aziz Panni, managing director of Audiotronic, said that his company had been keen to acquire Scan Data because it had foreseen computerised telephone systems as the next generation of equipment in the industry.

It was attracted to Scan Data because of its close links with Texas Instruments and Onyx, and, in particular, because of its recently-acquired exclusive distributorship in the UK and Eire for Toshiba's T100, T300 and T500 computers, along with its Peachtree software packages.

In addition to the acquisition, which will involve the issue of 10.1m new Audiotronic shares, the company plans to place a further 5m shares to raise £1m for research and investment. This will increase the issued share capital from 24.6m to 29.7m.

For Scan Data, Mr Martin Baldwin, deputy chairman, said the deal offered his company prospects for faster growth as part of a group under new management which was following an impressive strategy.

Mr Baldwin has given irrevocable undertakings to accept the offer, as has Gartmore Investment Management. Together, they account for 56.2 per cent of Scan Data's capital.

Audiotronic's financial adviser, Schroder Wagg, is offering shareholders a cash alternative of 21p for every Audiotronic share, which values Scan Data shares at 94.5p.

Maxwell lifts stake in SelecTV to over 17%

By David Dodwell

Pergamon Press, the private printing group controlled by Mr Robert Maxwell, has bought a further 5.1 per cent stake in SelecTV, the independent cable television operator, lifting his overall stake to 17.56 per cent.

Mr Maxwell first acquired a 12 per cent stake in SelecTV in November 1982 through the British Printing and Communication Corporation. He became chairman of the company early in 1983.

Mr Maxwell said yesterday that neither Pergamon nor BPCC intended to buy any more SelecTV shares at present. SelecTV shares, quoted on the USM, improved by 4p on news of the weekend's development, closing at 30p.

Over the weekend, the Milton Keynes-based cable TV company revealed plans to cut cost "immediately and significantly." Operating costs have already been trimmed, with the closure in January of the Tredegar service.

In the six months to September 30 1983 turnover remained unchanged from 1982 at £97,000, while losses increased from £210,000 to £277,000. Directors warned that investments remained heavy and as such, losses were likely to persist.

In November last year, SelecTV failed to win a Government pilot licence for the expansion of cable systems. It will apply for fresh licences later this year.

BIDS AND DEALS IN BRIEF

Rank Industries Australia, a subsidiary of Britain's Rank Organisation, has sold Rank Electronics, its audio visual product unit, to Richard Keighery Wulf Gray and Associates, a holding company established for the purchase, for an undisclosed amount.

The company will continue to operate under its present name with existing staff and products, Rank Industries said.

* * *

To comply with a Ford Motor Company franchise agreement, C. D. Bramall has concluded negotiations to sell its Fostermast Vauxhall/Bedford dealership, trading as Bramall of Sheffield, to the Charle Clark Group for £450,000 cash.

Pre-tax profit for 1983 of Fostermast was £266,794, and its net asset value at the year-end came to £61,093. Clark will pay £400,000 on completion and the balance when a specific level of credit business has been passed to its associate.

Bramall has granted a 25-year lease on the Sheffield premises to Clark, at an initial annual rent of £80,000. Bramall is looking for dealerships with profit and growth potential in order to expand the business.

* * *

Slough Estates' offers to acquire Allnatt London Property and Guildhall (other than the 4.2 per cent cumulative preference shares) not owned by Allnatt, which became unconditional in all respects on January 30 will close on February 16.

* * *

As at 3 pm on February 2 the total of ordinary for which acceptances had been received of the Ciro offer was 528,791 (16.9 per cent).

The total of ordinary shares held before the offer period was 2.57m (representing 82.3 per cent of the issued ordinary shares). The total of ordinary shares acquired or agreed to be acquired during the offer period was nil.

Accordingly, Ciro holds (as at February 2) 3.1m ordinary sehares (99.2 per cent). The offer period is extended until 3 pm, Thursday February 16.

* * *

Thomas Nationwide Transport, the Australian road haulage group, has agreed to acquire the minority holding in its subsidiary, TNT (UK) in exchange for 500,000 shares. The minority, consisting of 85,000 shares, is held by Hambros Bank (Nominees).

* * *

Staveley Industries recently acquired EBL Company of Connecticut, U.S., through a wholly owned U.S. subsidiary for about £2m.

EBL makes quartz transducers and delay line crystals, as well as advanced piezoceramic materials, which are used in many electronic applications, including non-destructive testing.

EBL's technological skills will support those of Staveley NDT technologies grouping and in particular, those of Harisonic Laboratories, purchased by Staveley in September 1982 and also situated in Connecticut at Stamford.

* * *

Scott's Restaurant has bought the freehold of 1 Pont Street, London, SW1, from the Worthy Estates for £305,000. The property is let for a term of 20 years from October 16 1978 at an exclusive yearly rental of £16,000 subject to upwards only rent reviews in 1984 and 1991.

* * *

Shareholders of Nash Industries have approved the acquisition of Victoria Pressings of Birmingham. Completion has taken place.

* * *

In its offer for the capital of Eagle Star, BAT Industries has received acceptances for another 4,839,327 Eagle Star shares (3.5 per cent). Total acceptances of BAT Industries' offer now amounts to 135,033,819 shares (97.62 per cent).

* * *

Destion, which agreed to purchase the assets of Hornsea Pottery Company, will honour the agreement and proceed with the purchase, its directors state.

Hornsea Pottery Sales, a non-active subsidiary, was recently re-activated as a vehicle to handle sales and marketing of Hornsea Pottery products. This company will continue trading and handle sales so long as the factory continues to manufacture.

The completion of Destion's contract will be to the benefit of the creditors and assist Hornsea Pottery to continue manufacturing. The appointment of receivers at Hornsea Pottery will not affect the plans of Seconds City to open combined selling and leisure centres on the Hornsea sites.

Over the past few weeks considerable progress has been made in the development of the sites and the company is in advanced stages of negotiation with prospective tenants. Leases have already been drawn up for a number of units.

* * *

Baring Brothers and Co. and Hambrecht and Quist Incorporated announce that Orient Capital Trust, a Guernsey-based unit trust, has been established to invest in a diversified portfolio of venture capital investments in Japan.

An amount of U.S.$10m has been raised through a private placement of units in the trust with a number of institutional and individual investors in the UK, U.S. and continental Europe.

The investment adviser to the trust will be Orient Capital Company, a joint venture company set up in Japan in October 1983 by Baring Brothers, Hambrecht and Quist, Orient Leasing Company, Daiwa Securities Company, The Dai-ichi Mutual Life Insurance Company and The Sanwa Bank.

* * *

On February 1 a subsidiary of Sanderson Murray and Elder, entered into a contract for the sale of Freehold factory premises in Bradford, formally used for processing man-made fibres, to Wool Growers (Great Britain).

The consideration of £150,000 in cash on completion, expected by the end of February, is not materially different from the net book value.

The proceeds will be retained in the business.

THE MANAGEMENT PAGE: Small Business

EDITED BY CHRISTOPHER LORENZ

A QUICK divorce can often be the best solution to an unhappy alliance—even if it leads to a long struggle for the partner who is leaving.

That thought was foremost in Michael Carson's mind seven years ago when he abandoned his family company just over a year after it was taken over by the Twinlock office equipment group. A designer turned general manager, his aim was to strike out on his own in direct competition with his former parent and a host of overseas giants.

Office Kit, the tiny nine-man office systems furniture design firm which Carson (54) left Twinlock to establish, had only been trading for nine months when Twinlock was snapped up —albeit willingly—by Acco World Corporation of the U.S.

Twinlock's fate underscores just how competitive the office equipment industry has become. Carson sees it more as a vindication. "Twinlock's office furniture division was full of typically British failings. It was cutting back on quality at the very time it should have been improving it," he says.

But the break has not been easy and commercial success in a market full of minefields is still a long way off.

Since leaving Twinlock, Carson has had to live off his savings while painstakingly designing and developing his product range. He initially put in £75,000 of his own money, and then begged £350,000 from ICFC banks and the Government.

Originally, he had hoped to develop Office Kit's range of up-market colour co-ordinated screens, desks and lighting systems in conjunction with a UK furniture manufacturer. Most of them, however, were unwilling to take on a new product if it could not be made on their existing machinery.

"They had become used to working with what they had and preferred to go on that way. They were simply too conservative," says Carson.

The only solution was to complete the preliminary work independently and then try a new tack. Eventually, Carson attracted manufacturing partners by supplying tools of his own design along with the blueprints.

So it was not until January 1983—six years after its inception—that Office Kit started trading from its Covent Garden headquarters. In its first financial year, Carson expects the company to break even on a turnover of £500,000. For 1984-1985, he is roughly guessing at a profit of £50,000 on turnover doubled to £1m.

Yet Office Kit is not alone in experiencing a long gestation period from drawing board to production line. Even the UK leader in office systems furniture, American-owned Herman Miller, took seven years to develop its own range, which now occupies about a 30 per cent share of am arket worth uo to £60m.

Hugh Routledge

Michael Carson at recently furnished advertising agency, Leagus Delaney

Breaking away from the family

William Dawkins on a budding design group

Office Kit's production difficulties apart, the main problem is to hit on a design which is well researched enough to accommodate changes in office equipment technology and then to establish a network of dealers sophisticated enough to draw up and install layouts.

"It's the only way it can be done," says Gordon. "You can't build your market faster than you can supply the product—and that takes a long time."

His experience provides several clues to why 65 per cent of office systems furniture sales in the UK are made by foreign companies, including Steelcase and Westinghouse of the U.S. and a number of smaller Italian and West German concerns like Castelli and Mauser.

English office systems furniture companies have apparently been relatively slow off the mark in recognising changes in the way their product is being marketed. Furthermore, they have been reluctant to accept the resilience of demand for top quality office furniture at a time when the rest of the furniture market has been in steady decline.

When Twinlock bought Carson Office Furniture in 1975, it immediately started to sell the Michael Carson-designed Link range of office systems through conventional office equipment dealers.

But the dealers, maintains Carson, were more interested in stocking fast-moving well established lines. They were less keen to lumber themselves with a product that had to be purchased in large quantities—initially at least—and needed design flair to install. The real market lay elsewhere.

"In this area, the only way to get to grips with a client's problems is to go through his or her designer or architect. You simply cannot sell office systems furniture successfully through conventional dealers," says Carson.

When Twinlock started to slide into the red in the mid-1970s, it naturally enough took an axe to its overheads in the interests of good financial housekeeping. Carson felt that the quality of what was supposed to be an upmarket product was beginning to slip. "There seemed to be a lack of direction."

But how could an independent Carson hope to succeed where Twinlock appeared to be struggling? "It's the David and Goliath syndrome," he suggests. In office equipment terms that means: "If you design your system without the limitations of an existing factory, you don't have to compromise. By innovative thinking, we can create a niche for ourselves."

The consensus in the trade is that Carson's design does have some ingenious qualities, including an angled lighting system which can produce task or ambient lighting at the flick of a switch. Office Kit's snap-in wire ducts have been hailed as a welcome departure from screen systems which tend to hide the wires within the screen.

A more telling reason why Office Kit has a chance of competing against the industry's leaders is that Carson has not saddled himself with production and installation.

Those functions are contracted out to F. Rendell and Sons, part of the Lovell Construction Group and F. C. Brown, the Surrey-based steel office equipment maker. Medsales Interiors is agent for overseas licensing and sales. Moreover, all three companies have taken 20 per cent stakes in Office Kit's £150,000 share capital and will be encouraged to subscribe for more.

By spreading Office Kit's ownership among established concerns, Carson may risk saddling himself with the big-company bureaucracy he left Twinlock to avoid. But he has also partially overcome a major obstacle in the way of many budding office systems furniture businesses.

The very nature of their product means that customers will want to add to it over the years. "Ours is a sort of wall engineered Lego kit," says Carson. So company buyers have to be convinced that components which will fit with their existing systems will be available for some time to come. And this is in an industry which is fast growing—by around 20 per cent annually, against a 5 per cent annual decline for conventional furniture—but shows every sign of getting increasingly crowded.

Against this background, Office Kit will have to depend heavily on all the corporate muscle it can muster, unless Carson is ready to fall gracefully into the arms of a new parent.

A fair way to trade

ARE YOU ready to deal with the "browser," the "prospect" and the "visitor in a hurry?"

This is one of the points raised in the "Notes for Guidance" being sent to the 100 or so co-operatives participating in the first-ever London Co-operative Trade Fair to be held at the Town Hall, Kensington, London, on February 21 and 22. But although they have been prepared by the Co-operative Development Agency (CDA) training team for a specific event the notes are relevant to all small firms contemplating trade fairs and exhibitions as part of their marketing strategy.

The CDA advises, for example, that general information and leaflets should be prepared for browsers at a stand, that a more detailed glossy brochure should be stored out of view and used to seduce the prospective purchasers, and that pre-packed general information should be available for individuals dashing by.

Before making what can be a significant investment in money and time, however, businesses ought closely to identify their reasons for exhibiting—is it to attract agents and distributors, test the reaction to a new product or generate sales?—and subsequently evaluate success or otherwise against these objectives. The average cost per contact, for example, could be compared with the costs of each mail shot.

The CDA also supplies advice on who to invite and how to go about it. Check who is already on the organisers' list and then choose from existing customers, lapsed customers and potential customers. Make sure the invitation gets through to the appropriate person to influence buying decisions and try to think of a novel way of getting them to attend (such as a special incentive). The CDA even warns against using a brown envelope.

Space is generally limited at trade fairs so it is vital to make the best use out of the stand. First impressions are also important, a point emphasised by the CDA, which claims that visitors are ignored or go unnoticed 50 per cent of the time, and are generally greeted with "poor opening remarks" or the rather weak "Can I help you?" the rest of the time.

Several more arresting alternatives are proposed but the message is that a positive remark about the product or service is a more useful opener.

Above all, keep any contacts "warm." Place them in order of importance and priority and follow them up as soon as possible, as well as adding their names to existing mailing lists.

Tim Dickson

In brief...

"THOSE who can, do, those who can't, teach." Well, Audrey and David Simpson, college lecturers in the minefield territory of catering, manage to do both. In 1978 they bought a small hotel in Brighton and have now hit the guides (including the latest Michelin), and profits.

The Simpsons get so many enquiries about how it should be done that they are running a series of weekend courses for hoteliers manque. The dates are February 13-15, March 26-28, May 29-31, July 2-4, Augus 17-19, November 30-December 2. At least one other weekend, July 9-11, looks likely.

The fee of £63 per person includes lectures from estate agents, banks, planning and environmental health experts, credit card companies, fire officers and sources of finance and grants.

Contact Granville Hotel, 125 King's Road, Brighton BN1 2FA (0273 733516).

THE Confederation of British Industry (CBI) and the Association of Independant Businesses (AIB) have both highlighted their concern about capital taxes — albeit from different perspectives.

The AIB says Capital Gains Tax and Capital Transfer Tax discourage "rational" investors from going into business at all, force business people to take strategic decisions purely to minimise the tax charge and destroy independent businesses through forcing a break-up on the death of the owner.

Meanwhile, the CBI, in its Budget submission, draws attention to the problem of "grey stayers" — the owners of businesses who retain control long after normal retirement age because of the tax bill they would receive in handing over the reins to younger management. "This badly distorts the natural development of the company and can mean its ossification," comments Jeremy Pone, chairman of the CBI's Smaller Firms Council.

Support service for Euro-MPs

BY IAN HAMILTON FAZEY

SUSAN BUTLER meets her staff every Friday at 4 pm for her most important meeting of the week. It may be 8 or 9 pm before they get away, partly because she has a company rule not to carry work over from week to week if it can be finished with a little extra effort.

A member of the Tory Reform Group, and with experience as a research assistant to the political writer, Anthony Sampson, she first spotted the potential to exploit her qualifications in the run-up to the last Euro-elections. So, four years ago she set up her company to provide back-up services for Euro-MPs, such as secretarial work, speech-writing, research, liaising with Eurocrats or lobbyists, political PR, keeping track of legislation and management of information. She calls it MEP Services Ltd and growth has been continuous since then.

The smack of American politics can be traced to Butler's dual British and American citizenship. Now 37, she was born in Liverpool but emigrated in 1957; she has worked on both sides of the Atlantic.

MEP Services was set up to provide a range of support for Members of the European Parliament that none could afford to buy individually for themselves. Butler saw a way of solving three of the most intractable personnel problems faced by Euro-MPs—staff shortage, insufficiently qualified applicants and high turnover.

Now her small company acts for 11 MEPs; two Westminster MPs—one a Minister—use it too. She has two full-time staff and one part-time word processor operator.

All are women. She has tried employing men but found they were not suitable. "Some won't work for a woman and some find it demeaning to make the coffee." But she points out that women don't complain about such tasks because they realise that they are also doing much more important work.

The same attitude applies when it comes to cleaning the London office; she and her colleagues decided to save £30 a week by organising a rota to do it themselves.

The main management meetings are held on Friday evenings because she and/or one of her full-timers are likely to have spent the week in either Strasbourg, where the European Parliament meets for one week each month, or Brussels, where the Parliament does its committee work for two weeks of the remaining three.

Her clients pay between £150 and £600 a month, depending on how fully they use her company's range of services. All are Conservatives. However, she refuses to interview potential staff recommended by Conservative Central Office; she says they tend to be more interested in pursuing personal ambitions than committing themselves to working wholeheartedly for the clients.

Jetting to work now is a far cry from the way she started. In her first year, when she turned over less than £6,000, trips to Strasbourg entailed the overnight boat train, second class, for £37. She had just one client at the time, signed up after she had hired a suite at the Cumberland Hotel at Marble Arch, and invited all 61 newly-elected Tory Euro-MPs to breakfast or morning coffee.

The 17 who turned up ate à la carte and the promotion cost £280. She says: "It turned out to be marvellous value for money. It introduced me to them and as my work became known I added new clients at a rate of one a month during the first half of 1980."

Soon she increased her staff and the boat train was superseded by the jet. Turnover doubled, then doubled again and is still rising. Most of her company's costs are now salaries and travel; though telephone bills are inevitably high. Apart from the company Mini—used for nipping round London offices—capital spending has gone into information technology, such as the most appropriate computer/word processor for the job.

This year's corporate plan revolves round the Euro-elections in June, after which she is hoping to have more potential clients to sell to. She also hopes to get more work from Westminster, where Transport Minister Lynda Chalker already uses her on non-Ministry work.

Business Opportunities

READERS ARE RECOMMENDED TO TAKE APPROPRIATE PROFESSIONAL ADVICE BEFORE ENTERING INTO COMMITMENTS

Reduce Your Taxation Liabilities

100% Tax Relief Available in 1983/4

* IBA units from £100.000.
* Tax relief available over two fiscal years.
* Finance arranged.
* Development pre-let.
* Income guaranteed by Government agency.

Please contact:
Wilson & Partners,
Wilson house
Sheep Street,
Wellingborough,
Northants. NN8 1BT.

Robin Tassell
Tel. (0933) 73838
Colin Atkinson
Tel. (0604) 22817

Wilson & Partners

LEASING PORTFOLIOS £100,000-£2m

Leasing company urgently requires to purchase for outright settlement existing lease portfolios with rentals totalling £100,000 to £2m. The leases should have at least two years unexpired, and be to a reasonable spread of covenants. An immediate decision will be given.

Please send details, in confidence, to Box F4324 Financial Times, 10 Cannon Street, London EC4P 4BY

Severe Financial Pressure?

WE CAN HELP

Receivership a possibility?

Listed UK Group with diverse interests can offer new capital and management assistance to companies with potential.

Initial approach welcome from principals or their advisers.

Contact: Development and Acquisition Manager
CENTREWAY INDUSTRIES plc
1 Waterloo Street
Birmingham B2 5PG
Tel: 021-643 3941

SMALL PUBLIC COMPANY

Investment clients seek to acquire control of small public company.
Up to £1,000,000 available

Please contact in confidence:
R. Neil Sinclair, FRICS, FSVA
Sinclair Goldsmith
01-486 6060

START A NEW EASILY-RUN BUSINESS

as a Distributor participating in the marketing of proven products R & O. & Manufactured by us to meet new Brit. & Internat. Standards. This new field has an infinite, very broad based multi million £ U.K. & Overseas market. Equally suit large Cos. seeking diversification or small business run from home. Low investment covered by stock. Co. back-up. No start-up problems. High profit margins. Fast cashflow. Write:
Distributor Dept.
SARGOM INTERNAT. LTD.
35, Southwick St., London W2 5JQ
Tel: 01-402 6486/7 Telex: 296778

NATIONAL BUILDING CONTRACTOR/DEVELOPER

wishes to expand. Group in the building industry by acquisition of other contracting development businesses or manufacturing and sales outlets.

Write Box F4345, Financial Times 10 Cannon Street, London EC4P 4BY

URGENTLY REQUIRED

by a discrete international purchasing organisation who pay the best prices plus give immediate decisions for discontinued/redundant/liquidated stocks of high quality gift orientated merchandise. Gift/social/novelty stationery/office supplies/office equipment our speciality.
Phone MARTIN ABRAMSON/ ANDREA CONRAD 061-834 3775
Telex: 665534 - or Write to: RMS Wholesalers International
9 Chapel Walks, Manchester M2 5HN, England

FINANCE ARRANGED

Secured and unsecured loans at competitive rates. Commercial and private with repayment periods up to 20 years. Difficult cases accepted
SOVEREIGN INSURANCE CONSULTANTS LTD
Tel: 01-378 6322

TOSHIBA MOBILE AIR CONDITIONING UNITS

Air Conditioning Equipment (International) Ltd invite interested parties to enquire in respect to Dealerships for 1984. *Please contact:*
Chris Mason, ACE House
Cedar Way Industrial Estate
Camley Street, London NW1 0PD
Tel: 01-388 3034

MAGNUM

Your instant Antwerp Office (Belgium), near harbour and international airport. Full services: multi-lingual secretary, mailbox, telex, telecopier, offices and conference rooms, executive and sales support, company formation and administration.
For details write to:
Management Assistance Group NV
Uitbreidingsstraat 164, 2600 Antwerp
or contact:
Tel: 3/218.70.01 or Telex 73.404

BUSINESS DEVELOPMENT

Company Director with considerable multinational experience in all aspects of business development, organisational trouble shooting, and financial planning has time available to assist organisations as a part-time director or to accept specific assignments. Widely travelled in Europe. Fluent in German, Dutch and French.
Tel: 0753 882491
Write Box F.4349, Financial Times, 10, Cannon Street, London EC4P 4BY.

RETAIL OUTLETS SOUGHT

LEXTERTEN LTD.

Reproduction Furniture manufacturers, selling direct to the public, seek new showrooms in the Greater London area. Premises of approximately 4,000 sq ft in good secondary areas required. Freehold preferred. Send fullest possible details, in complete confidence, to Mr David Goldberg, Lexterten Ltd., 16/20 The Causeway, Teddington, Middx.

INSTITUTIONAL FINANCE

Financial entrepreneur seeks a Managing Director and part-time Consultants with excellent connections with City institutions to organise and liaise in making financial arrangements. Annual renumeration package to exceed £40k plus potential.

Reply in confidence to Box F4356 Financial Times, 10 Cannon Street London EC4P 4BY

PORTUGAL

WEEKEND PROPERTY INSPECTION FLIGHTS (Fri-Mon)
Scheduled TAP & 5-Star Hotel
ONLY £148
Including transfers and American breakfast
Properties from £15,000-£500,000
PORTUGAL PROPERTIES LTD.
01-385 7207 (24 hrs.)

MORTGAGE REQUIRED

Investment company seeks private mortgage secured on office building in NW London let to statutory authority. Income will service facility sought (£220,000 approx.).
In the first instance please contact:
Portner & Jaskel, Solicitors
Ref. B Portner, 125 Parkway
Regents Park, London NW1 7PS
Tel: 01-380 1416

TAX SHELTER — 100% IBA qualifying investment factory units high specification for sale in Wolverhampton, Kendal, Central Birmingham, Coventry and Sheffield, as singles or multiples, 950 sq. ft. upwards. Full details contact: Peter A. Hardee, Chancel Construction Ltd., PO Box 1, Bilston, West Midlands, WV14 6AA. Tel: (0902) 45423.

VENTURE CAPITAL REPORT, 2 The Mall, Bristol. The link between investment funds and small business. Investors and entrepreneurs ring (0272) 737222.

WATFORD, HERTS. 100% I.B.A.'s Available Now. Write Box F4358, Financial Times, 10 Cannon Street, London, EC4P 4BY.

SMALL LISTED COMPANY seeks deals/projects (technological and financial fields preferred) which would radically improve the value of its shares. Land for expansion and local authority financial support likely to be available. Write Investment Director, H. J. Baldwin p.l.c., Loughborough Rd., Bunny, Nottingham NG11 6QN.

ASSETS of Insolvent Companies for sale. Receiver & Liquidator's Classified. 01-637 3036.

INTEREST ONLY

COMMERCIAL and INDUSTRIAL

PROPERTY LOANS

10-15 year Capital Holiday—advances £100,000 - £1 million to 65-70% of valuation available to sound and profitable commercial and industrial trading companies on specially attractive terms.
For full details please WRITE your name on a company letterheading and post to me today:
Managing Director, Dept. FLL
ACKRILL, CARR & PARTNERS LIMITED
Tricorn House, Hagley Road, Birmingham B16 8TP
(We regret no telephone enquiries can be accepted)

Football Supporters Group

with international links offer directorship and equity interests in sections to be formed nationwide for liaison tasks only. Suited for mature persons, semi or retired business and professional man, managers/specialists and companies interested in lucrative and rewarding full/part-time engagement or side line. No direct investment required. Reliable applicants with good references contact:
MR PETER HORNER
46 Langbank Avenue, Coventry CV3 2PN

INJECTION AND EXTRUSION BLOW MOULDED PLASTIC BOTTLES

Packaging group already selling plastic bottles is interested in investment in small to medium sized manufacturer of quality bottles. Opportunity for expansion. Write Box F4343, Financial Times, 10 Cannon Street, London EC4P 4BY.

FUNDS FOR GROWTH

WE WANT TO INVEST
In companies aiming at high growth rates and high profits. We normally invest amounts of between £200,000 and £750,000 but larger sums can be provided.
We are backed by several major financial institutions.
Contact:
John Parkin or Anne Higgins
ENGLISH AND CALEDONIAN INVESTMENT PLC
Cayzer House
2-4 St Mary Axe
London EC3A 8BP
Telephone: 01-623 1212
or 01-626 7197

AGENTS REQUIRED

ELECTRIC HEATING FANS, ETC

A leading Swedish supplier is looking for established company to represent them in UK. Range includes fan heaters, de-humidifiers and air curtains for industry and commerce; selling successfully in Scandinavia and Europe.
Send brief details to the address below. All correspondence will be forwarded to the Swedish principal unless marked otherwise.
Swedish Trade Office
(Ref EHFF)
73 Welbeck Street
London W1M 8AN

HARDSTONE DEPOSIT REQUIRED

AGGREGATES SUITABLE AS QUALITY PRODUCT
Any Area considered
Replies dealt with in strictest confidence
Write Box F4350, Financial Times 10 Cannon Street, EC4P 4BY

MIDLAND ELECTRICAL ENGINEERING COMPANY

OWN PRODUCT RANGE REQUIRES EXPANSION CAPITAL
to implement restructuring plans and introduce new product
Interested parties should write to:
Mr. K. J. Logue
226 Bretby Lane
Burton on Trent
Staffs. DE15 0QR

SIGNIFICANT FAMILY MANUFACTURING CO.

Based in NW England wishes to diversify its activities probably by licence to manufacture or franchise arrangement. Principals with clearly developed opportunities please forward details to:
Box F4295, Financial Times 10 Cannon Street, EC4P 4BY

BRITISH EXECUTIVES

WILL REPRESENT UK INVESTORS
In locating commercial real estate in U.S. Our interior design office will locate and furnish executive accommodation
ANTCO INTERNATIONAL
444 Grand St, Paterson, N.J.
Telex: 710-988-5997

WANTED DEAD OR ALIVE

Private Company with adequate funds seeks to invest in a manufacturing business with prospects of expansion in the South of England. Turnover in excess of £1 million with hope for future profits.
Please reply in strictest confidence to Box F4344, Financial Times 10 Cannon Street, London EC4P 4BY

BUSINESS VENTURES

Make the business expansion scheme work for you. The A. K. Opportunity Register provides a unique medium for potential investors and Entrepreneurial Business people to meet. Whether you seek venture capital, or an opportunity in which to invest. Register NOW! Telephone Peter Mason on 01-499 6510 or write to:
AALSMEER, KNIGHT & CO.
P.O. Box 10, Harlow, Essex CM19 6BH quoting Ref: BE51

TAX SHELTER AVAILABLE

Sale and lease back of capital plant and equipment, generating substantial capital allowances to corporate tax payers.
Purchasers required with UK taxable profits.
PRINCIPALS ONLY
for further information CONTACT The Financial Director, Box F.4352, Financial Times 10, Cannon Street, London EC4P 4BY.

ONE OF OUR CLIENTS

eligible under the BUSINESS EXPANSION SCHEME is seeking a
CAPITAL INVESTMENT OF £30,000
No fees to Investors
Write Box F4351, Financial Times 10 Cannon Street, EC4P 4BY

INVESTOR/PARTICIPANT

Expanding Home Security Company with 45% gross profit
REQUIRES
ACTIVE MANAGER
with £17,000 investment
Write Box F4348, Financial Times 10 Cannon Street, EC4P 4BY

BUSINESS MAILING LISTS—Hundreds of ready-built Lists immediately available. Free catalogue. Marketscan, Stirling House, Stirling Rd., Chichester, Sussex. Tel: (0243) 786711.

INVESTMENT in LEISURE

One of our clients, a small company in the leisure field, is seeking funds to expand. By virtue of its activities, the Company is able to offer an unbeatable blend of excellent security and capital growth prospects, in addition to shareholder benefits.

Investment is eligible under the Business Expansion Scheme or for 100% capital allowances.

For further information contact Stephen David
DAVID GARRICK
39 Queen Anne Street, London W1M 9FA
Tel: 01-486 8142

BUSINESS OPPORTUNITIES LICENSED OFF-SHORE BANK

Retirement offers investment opportunity. Possible control of existing successful offshore bank owning substantial consumer credit and diverse range of lending in southern England.
Equity might be accepted from public company of stature seeking diversification of financial concern able to introduce profitable banking business.
Doubling of present £1,000,000 capital plus additions to board and UK back-up could triple profits and present asset base of more than £10,000,000.

Replies in strictest confidence to Box F4357 Financial Times, 10 Cannon Street, London EC4P 4BY

DO YOU NEED MONEY? £10,000—£3,000,000

has been raised for our clients' realistic business propositions or property schemes by correct analysis, presentation, identification of appropriate sources of finance and detailed negotiations. Can we assist you?
For an honest discussion without obligation, please contact:
PROPERTY & FINANCE CONSULTANTS LTD
63 Coleman Street, London EC2 - Tel: 01-628 4545 - Telex: 8813840

WHOLEFOOD RESTAURANTS/FRANCHISING

Existing company with vast experience of franchising and small chain of proven Wholefood Restaurants wishes to go national principally by franchising, and requires capital injection for this operation. Would consider investment in return for equity with existing management remaining, or alternatively partial or complete sell out with existing management remaining as long as required.
FOR PRELIMINARY DISCUSSION TELEPHONE: (0298) 82041e
During Office Hours

SOUGHT

Direct Mail Marketing Co.
as joint venture partner
Publisher is interested in contact with marketing firm wishing to apply its direct mail expertise to substantial newsletter property. Promotion investment required.
Box F4320, Financial Times 10 Cannon Street, EC4P 4BY

PROPERTY FINANCE

Long Term Interest-only Institutional Mortgages now available at
$12\frac{1}{2}$% p.a. (FIXED)
Secured on good quality commercial and industrial properties for investment or owner occupation. Minimum loan £100,000. No endowment or pension policies required.
Seymour Adelaide & Co Ltd
88 Baker Street, London, W1
Tel: 01-935 2382

I.B.A. INVESTMENTS

Newton Abbot
£34,500 to £720,000
Some prelets or public company rental guarantee
Available Richard Hodgson
A. C. FROST & CO
3 High Street, Windsor
Tel: 07535 54555

PRIVATE INVESTMENT FUND

Seeks strategic stakes in quoted U.K. companies. Substantial liquid resources available.
Write Box F4340, Financial Times 10 Cannon Street, London EC4P 4BY

A HIGH RISK BUT POTENTIALLY EXTREMELY HIGH RETURN INVESTMENT OPPORTUNITY

A company has devised and invested heavily in a new engine concept based largely on conventional engine components, which it is anticipated will be extremely fuel efficient.
Patents are secured in the United States and United Kingdom, and completion in Japan is envisaged as a formality.
For performance evaluation and marketing purposes a simple test engine will be built, and a suitable financial partner is being sought. A negotiable proportional equity holding of ultimate exploitation rights is offered.
An initial investment of approximately £150,000 spread over approximately 12 months will be required, and further funding may be necessary prior to "self supporting" capitalisation being achieved.
Seriously interested potential investors are invited to write to Box F4346, Financial Times, 10 Cannon Street, London EC4P 4BY.

IBA 100% TAX RELIEF IN YEAR 1983/84

* Last few units — from £30,000
* Mortgage finance available
* Income guaranteed by Local Authority

Contact: S. A. Parnes

DRUCE EST. 1822
Druce House
21 Manchester Square
London W1A 2DD
Tel 01-486 1252

NON CAPITAL INVESTMENT OPPORTUNITY. (PRINTING)

We are an established prestige colour printer in Essex looking to expand its production base to coincide with our move to new freehold premises in May 1984. We are seeking a business partner with a financially strong company (public or private) who have a predictable turnover of £250,000 plus in printed products. We will offer an equity participation to a company whose products coincide with our expertise and who are looking for a further diversification.
THIS OPPORTUNITY COULD REPRESENT A VERY SOUND NON-CAPITAL BASED INVESTMENT
For further details write to:
The Chairman
THE WHITE DOVE PRESS
The Grange, Downham, Billericay, Essex

WANTED: WORKING INVESTOR

1 year old CREATIVE/GRAPHIC STUDIO in W1. Turnover now £15,000 per month and rising with profitable work from good quality customers. Excellent economical premises. The Company was undercapitalised to begin with, is now severely overtrading—and needs a transfusion of between £10,000-£20,000 in equity finance. Working Directorship and equity on offer to the right person. Interested? Call our accountants on 01-935 0993 for further information.

INTERNATIONAL GEMMOLOGICAL INSTITUTE

CERTIFICATES ACCEPTED AND RECOGNIZED ALL OVER THE WORLD
ANTWERP NEW YORK
IGI
ONE WEEK INTENSIVE DIAMOND AND COLORED STONES COURSES.
For more information:
Schupstraat 1/7 - 2018 Antwerp
Tel.: 03/232.07.58 Belgium.

£2.5 million available

FOR MORTGAGES & INVESTMENT
in Small/Medium size Companies
Also residential properties
We offer a complete financial service package with sound management advice
For further details please telephone
DIS MANAGEMENT SERVICES LIMITED
Tel: 01-599 5132

WANTED

an honourable backer of substance and standing to help a young, dedicated couple (39 and 26) exploit full potential of highly profitable venture. Only individuals with integrity and entrepreneurial vision please reply. One very bad experience behind us already.
Write Box F4341, Financial Times 10 Cannon Street, London, EC4P 4BY

CONSULTANTS' REGISTER

We are compiling a register of Consultants, both commercial and technical, who may wish to participate in projects (UK and overseas) calling for a combination of individual specialist skills.
If this interests you please write outlining your speciality and experience to:
Bernard Downham and Associates
37 Maybourne Grange
Turnpike Link, Croydon CR0 5NH

BUSINESSES WANTED

RELIABILITY/AVAILABILITY IN ADVANCED MANUFACTURING SYSTEMS

Fairey Engineering Limited, an operating Company within Fairey Holdings Limited the Engineering sector of S. Pearson & Son P.L.C., wishes to extend contacts with organisations interested in the field of Health Monitoring in relation to manufacturing systems. Interest extends to Company Acquisition, Licence Agreements to manufacture and market, Joint Ventures and opportunities to solve problems in this area.

Contact Mr. J. Storey in the first instance with details of your interest: Fairey Engineering Limited, P.O. Box 41, Crossley Road, Heaton Chapel, Stockport, Cheshire. SK4 5BD.

Fairey
TECHNOLOGY ON THE MOVE

Ventilation and Heating

A southern based manufacturing group supplying the building and construction industries would like to open discussions with a view to merging with or acquiring a medium sized company manufacturing products for the ventilation or heating industries.

Please reply to: Managing Director Box G9432, Financial Times 10 Cannon Street, London EC4P 4BY

WANTED FOR CASH

MEDIUM-SIZED PROFITABLE ENGINEERING COMPANY
Part of a successful multi-national group, wishes to acquire a manufacturing company (not capital equipment) with established products for the transportation and/or aerospace industries. Turnover up to £2m.
Direct enquiries are invited and will be treated in confidence.
Write Box G8012, Financial Times 10 Cannon Street, London EC4P 4BY

LLOYD'S BROKER REQUIRED

Financial Group wishes to purchase a Lloyd's Broker to complement current operations.
Any size of company and portfolio type considered. Up to £5m cash available for acquisition
Please apply in strictest confidence to Box G9442, Financial Times 10 Cannon Street, EC4P 4BY

LIGHT ENGINEERING COMPANY REQUIRED

A substantial private manufacturing Company would like to hear from Principals of private companies who are wishing to dispose of their business interest. Preferred area Midlands and South East England.
Write Box G9433, Financial Times 10 Cannon Street, London EC4P 4BY

D.I.Y. Burglar Alarm Businesses

Any size considered
Very large or small
Write Box G9436, Financial Times 10 Cannon Street, London EC4P 4BY

PRIVATE PROPERTY AND DEVELOPMENT COMPANY

Would be interested in considering property investments held by institutions which are in the process of rationalisation. All serious replies will be answered.
Write Box G9439, Financial Times 10 Cannon Street, EC4P 4BY

PUBLISHING COMPANY

Wishes to acquire technical journals, yearbooks or directories
Please write to Managing Director
Box G9434, Financial Times 10 Cannon Street, London EC4P 4BY

PLASTICS

Successful extruder and injection moulder interested to purchase similar companies particularly those manufacturing, purchasing or distributing own products
Write Box G9339, Financial Times 10 Cannon Street, EC4P 4BY

PUBLIC PROPERTY COMPANY

wishes to purchase for cash/equity Private Companies or controlling stake in Public Companies
Principals only need reply, in confidence to
Box G9427, Financial Times 10 Cannon Street, London EC4P 4BY

A PUBLICLY QUOTED COMPANY

is seeking to acquire a SMALL COMPANY
currently engaged in the manufacture of extruded PLASTIC COMPONENTS
Reply in strictest confidence to Box G9447, Financial Times 10 Cannon Street, EC4P 4BY

TAX LOSS COMPANY REQUIRED

with at least £500,000 agreed losses in commercial property development. Continuing trading activity essential.
Please apply to Box G9435
Financial Times
10 Cannon Street, London EC4P 4BY

Bellway p.l.c. are expanding

Bellway p.l.c.

and are looking for suitable housebuilding companies to acquire, particularly in the south and west.

All enquiries will be dealt with promptly.
Principals only. Please contact:
Chairman
BELLWAY p.l.c.
Dobson House
Regent Centre
Gosforth
Newcastle upon Tyne NE3 3LT
Telephone: Tyneside 2850121
Telex: 537124 BELWAY G

WANTED

BY EXPANDING PUBLISHING COMPANY

Trade, Technical and Specialist National Publications, Magazines and Directories

Please write or telephone Harry J. Peek, General Manager
ADPRINT PUBLICATIONS
69 Thorpe Road, Norwich, Norfolk NR1 1UA
Telephone: Norwich (0603) 619421

HOUSEHOLD PRODUCTS

Our successful PRIVATE company clients are EXPANDING through investment in companies MANUFACTURING/ASSEMBLING household products for the ORIGINAL/HOME IMPROVEMENT markets. The ideal candidates will have ESTABLISHED PRODUCTS able to BENEFIT from a NATIONAL sales team serving the market place as a whole—including D.I.Y. FAMILY COMPANIES requiring a "breath of fresh air"—in either CASH or MANAGEMENT terms—should not be deterred from coming forward.

All replies in the STRICTEST CONFIDENCE.

C. N. Kenyon
KENYON BUSINESS SERVICES LTD
Sumlock House, 314 Chester Road
Hartford, Cheshire. Tel: 0606 888810

OVER £200,000 PRETAX?

Does your company make between £200,000 and £500,000 pretax? Have its profits improved consistently and are they likely to continue to do so? Is the company engaged principally in a marketing/distribution activity? Would you like to continue to run your company whilst realising your investment in exchange for a major stake in a small profitable distributive public company (and a seat on the board) with (if you wish) an element of cash? If so, please write, in confidence, to Box G9426, Financial Times, 10 Cannon Street, London EC4P 4BY.

DISTRIBUTION COMPANIES

We wish to acquire an established and well-managed business. Prime areas of interest are distributors of industrial, commercial or electrical products, alternatively, products associated with the auto industry. Turnover will be into several millions, including export. All replies will be treated in confidence and should you wish for further information please contact us for a preliminary discussion.
Write Box G9444, Financial Times, 10 Cannon Street, London EC4P 4BY

SPECIALIST RETAIL SHOPS

BED LINEN, SOFT FURNISHINGS

Company with young, dynamic, successful, management, engaged in specialist retailing in co-ordinated and matching bed linen, soft furnishings, etc. Current turnover £2m. wishes to expand by acquisition of or merger with company in similar field with High Street outlets. *Enquiries to:*
BARLING FINANCE BROKERS
18 Queen Street, Mayfair, London W1 - Tel: 01-629 7363

HOTELS AND LICENSED PREMISES

AUCTION
FRIDAY 9th MARCH '84
unless previously sold - offers invited.
Extensive car parking
Guide £435,000 — £465,000
Substantial finance available
Bettesworths
Fleet Street TORQUAY, Devon.
Telephone (0803) 212021.

Refurbished Fully Licensed FREEHOUSE & RESTAURANT
14 Self-contained de-luxe FURNISHED APARTMENTS

MAIDENHEAD, BERKSHIRE

The Prince Albert, King Street, Maidenhead

A town centre public house—for sale freehold as a Free House. 2 bars, cloaks, games room, kitchen, bathroom, and on the first floor owners' accommodation of 3 bedrooms and living room. Yard and garage. Also suitable for re-development. Tender documents from Pike Smith & Kemp (Ref. KP), 22 Queen Street, Maidenhead (0628-21177). Tender returned before noon 16.3.84.

BUSINESSES FOR SALE

WAREHOUSING BUSINESS FOR SALE

Bellville Holdings Ltd. (in Receivership and in Liquidation) Commercial Warehousing Co. Ltd. (in Receivership)
ROBINHOOD INDUSTRIAL ESTATE, DUBLIN 12.

The warehousing business of the above companies has been in operation since 1973 and provides short and medium term storage facilities in a modern warehousing complex.

The property interests of the companies comprise the following:
— freehold interest in 40,000 sq. ft.
— leasehold interest in 60,000 sq. ft.

A skilled and experienced workforce is available.

For further details contact the Joint Receivers and Managers:

MJ Long FCA, Craig Gardner & Co., Trinity House, 8 George's Quay, Cork, Ireland. Telephone: (021) 26631 Telex: 28424
or
WM McCann FCA, Craig Gardner & Co., Gardner House, Ballsbridge, Dublin 4, Ireland. Telephone: (01) 686411 Telex: 24349

For Sale by the Joint Receivers
A. P. LOCKE & D. R. F. SAPTE

Well known and established record pressing business, specialising in high quality picture disc manufacturing.
Situated in St. Ives, Cambridgeshire.
Interested parties contact:
D. R. F. Sapte
BEGBIES
3 Raymond Buildings, Gray's Inn
London WC1R 5BH
(Tel: 01-242 0639)

By order of A. J. Katz and C. R. Sherling Joint Receivers of Minuet Toiletries Limited

FOR SALE AS A GOING CONCERN

Aerosol Manufacturer of Toiletry Products

TO INCLUDE: FREEHOLD PROPERTY AT LYTHAM, LANCASHIRE
ESTABLISHED BRAND NAME
Substantial tax losses may also be available

For further details contact: A. J. Katz or A. W. Brierley
ARTHUR ANDERSEN & CO
Bank House, Charlotte Street
Manchester M1 4EU
Tel: 061-228 2121 - Telex: 668898

ARTHUR ANDERSEN &CO

PRIVATE COMPANY

INVOLVED IN SERVICE AND DISTRIBUTION
Currently producing £½m pre-tax with further growth projected
In order to take advantage of development opportunities, shareholders would consider takeover by a larger group or merger with a liquid partner of a similar size.
* Continuation of Management assured
* Will accept consideration in cash or quoted shares linked to future performance
* Substantial tax losses available to shelter earnings

PRINCIPALS ONLY NEED APPLY
Write Box G9449, Financial Times
10 Cannon Street, London EC4P 4BY

GAMING MACHINE MANUFACTURER

as a going concern
BRIDGEND, SOUTH WALES
Further details from R. G. Ellis
TOUCHE ROSS & CO
Baltic House, Mount Stuart Square, Cardiff CF1 6QS
Telephone: 0222 481111

FOR SALE

WELL-ESTABLISHED COMMERCIAL VEHICLE SPARES DISTRIBUTORS AND RECONDITIONERS
Based in the North Midlands. Operates from own Freehold Factory. Annual turnover approaching £800,000. Excellent profits in all 10 years of trading. Owners wish to retire but would be glad to assist for a reasonable period. Contact:
SHEPHERD & CO
25 Park Street, Macclesfield, Cheshire - Tel: 0625 612042

FOR SALE

Ultra modern, well established, 60 bed Private Hospital in 4 acres of Woodland and 30 minutes from the centre of London. Outright sale of business and freehold interest.
Write Box G9430, Financial Times, 10 Cannon Street, London EC4P 4BY

CARAVAN SALES CENTRE

WESTHOUGHTON GREATER MANCHESTER
Fine Showrooms and Workshops in approx 1 Acre
For Sale as a going concern
£225,000
Fleury Manico
15 Cross Street, Preston PR1 3LT
(Tel: 0772 563020)

BOATYARD AND HIRE FLEET

Norfolk Broads
Fleet purchase and rental for yard, or outright purchase (£150,000) considered.
Write Box G9427, Financial Times
10 Cannon Street, London EC4P 4BY

Bell-Ingram
FOR SALE
ONE OF SCOTLANDS PREMIER CARAVAN PARKS ON THE SOLWAY COAST
TURNOVER IN EXCESS OF £400,000
170 ACRES
55 DEVELOPED ACRES, SPACE FOR 530 UNITS, BARS, RESTAURANTS, CINEMA, BEACH & 2 HOUSES
100 ACRES FARMLAND
As a whole or in 4 Lots
Apply, 4 West Regent Street
Glasgow G2 1RW
(Telephone 041-332 7311)

DATA PREPARATION BUREAU

Long established, operating from 2 Midland city locations
Turnover £210,000
Excellent net profits and well equipped with owned machines. The company has a wide client base with good long-term contracts
HOWARD GRANT & COMPANY LTD
Merger Consultants
Grove Farm, Honiley
Kenilworth, Warwickshire

FOR SALE

Well known brand name successful manufacturing textile company
t/o £8m profits £1m
Directors prepared to guarantee minimum profit level
Will consider offers part cash and shares in Public Quoted Company
Principals only
Write Box G9429, Financial Times
10 Cannon Street, London, EC4P 4BY

SPECIALISED FOUNDRY FOR SALE

Melting special irons and alloy steels. The company is profitable, the turnover is £2.4m. No bank borrowings. Assets recently valued professionally at approx. 450k.
Principals only
Write Box G9450, Financial Times
10 Cannon Street, EC4P 4BY

TRAVEL AGENCY

Our client wishes to sell a majority shareholding in his well established Central London IATA agency
Please contact:
Michael East
WILLIES EAST & CO
20/24 Uxbridge Street, London, W8

PRECISION ENGINEERING

Company in Croydon for sale as going concern. Includes long, valuable lease on 6,500 sq ft factory
Write to Box G9448
Financial Times
10 Cannon Street, EC4P 4BY

FOR SALE

BUSINESS TRAVEL AGENCY
LONDON WEST END
IATA/ABTA plus Travicom
PRICE £45,000
Preferred purchaser — institution with large annual expenditure on travel - No brokers
Write Box G9445, Financial Times
10 Cannon Street, EC4P 4BY

JUDGES LIMITED

The Receivers offer for sale this long-established business of photographic publishers based in Hastings, whose products include high-quality postcards, calendars and allied products.

— 1983 Turnover £552,000
Profit before tax £61,000
— Valuable freehold factory of approximately 10,000 square feet and parking for 15 cars.
— 40 staff
— Extensive UK sales coverage

For further information please contact C. R. Sherling or D. S. Thornton at:—

Arthur Andersen & Co.
1 Surrey Street
London WC2R 2NT
Tel: 01-836 1200
Telex: 8812711

ARTHUR ANDERSEN &CO

Constructional Engineers

Business and Assets for Sale as a Going Concern
* Herbertson & Co. Ltd. based in Wolverhampton. Structural steel work fabricators specialising in design and erection for UK companies, development corporations and building contractors.
* Established over 100 years.
* Freehold premises of over 110,000 sq. ft.
* Turnover in excess of £2m p.a. with assets comprising freehold property, stock, plant and machinery, amounting to in excess of £300,000.

Contact: J. K. R. Jones, Joint Receiver and Manager
Robson Rhodes, Centre City Tower
7 Hill Street, Birmingham B5 4UU
Tel: 021-643 5494
Telex: 339420 ROBSON G

ROBSON RHODES

HORNSEA

The business and assets of Hornsea Pottery Co. Limited are offered for sale as a going concern.
- Award winning manufacturers of quality modern tableware, ovenware and other ceramic products.
- Hornsea site comprising leisure centre and factory – 27 acres.
- Lancaster site comprising leisure centre and factory – 48 acres.
- Both sites have further development potential.
- Turnover approximately £5 million.

Further information can be obtained from A. R. Houghton.

Touche Ross & Co.
PO Box 137, Hill House, 1 Little New Street, London EC4A 3TR
Telephone: 01-353 8011 Telex: 261064

SPRINGERS LIMITED

The Receivers offer for sale as a going concern, a major sports and leisure complex in Nelson, Lancashire, incorporating squash, badminton, sauna, jacuzzi and gymnasium together with extensive restaurant, bar and recreational facilities. The company has substantial tax losses.

For further information please contact A. J. Katz or A. W. Brierley at:—

Arthur Andersen & Co.
Bank House
9 Charlotte Street
Manchester M1 4EU
Tel: 061-228 2121
Telex: 668898

ARTHUR ANDERSEN &CO

HUNTLEY & PARTNERS

FAMOUS 16th CENTURY THATCHED INN — Immensely picturesque setting, delightful hamlet, Dorset Downs valley. Beautiful olde worlde property with character bar, bistro bar, restnt, functions bar, skittle alley. Lovely owner's accom., b-b-q patio & car park. Peak summer turnover approx. £3,300 pw; winter t/o approx. £1,200 pw. G.P. approx. 46%. — FREEHOLD £195,000 SAV.
46 Mutley Plain Plymouth PL4 6LE Tel: Plym (0752) 262311

Established and expanding private Company

in the manufacturing of shop display products with a turnover in excess of £1m, with stable and good management. The Company has reliable profits and all replies are treated in strict confidence but only serious principals need apply.
Please reply to Box G9438, Financial Times
10 Cannon Street, London EC4P 4BY

STAMP RETAIL BUSINESS FOR SALE

Prime position
Midlands City Centre
Good profits, excellent potential, goodwill, lease and stock at value.
Quick sale required
due to family commitments
Contact Box G9441, Financial Times
10 Cannon Street, EC4P 4BY

FINANCIAL SERVICES GROUP

require partner to run their London region operations. 50% of equity is offered. £35,000 capital required
TRUMARK FINANCE GROUP
8 ANGEL HILL, TIVERTON, DEVON
0884 253850

NEW YORK STATE BANK FOR SALE

Contact
Bank Consulting Assoc.
Box 1804
Ft. Lee, N.J. 07024
or call (201) 585 0660

TRAVEL AGENCY for sale (unlicensed). Small and well-established in West End. Telephone: 01-408 1097.

HOME TEXTILES RETAIL COMPANY

Scottish-based
with modern warehouse
servicing own retail shops
Turnover £4m
Offers sought for outright purchase or minority holding
Write Box G9440, Financial Times
10 Cannon Street, EC4P 4BY

MIDDLE EAST

Opportunity to acquire a Middle East based trading company dealing in specialist building materials with a section for fixing some of them as sub contractor, for companies active in similar operations and interested to purchase the business or majority of shares with control of operations. Average turnover £2.5m and average nett profit £0.8m per annum tax free. Continuity of management available. Genuine enquiries only.
Write Box G.9426, Financial Times,
10, Cannon Street, London EC4P 4BY.

FOR SALE

Profitable well equipped
General Engineering Company
Established over 30 years
Modern 5,000 sq ft factory
located South East
Owner retiring
Write Box F8431, Financial Times
10 Cannon Street, London EC4P 4BY

Fine Colour Printing Business For Sale

Company established 30 years in the business of printing a wide range of corporate, marketing and sales promotional literature for leading national and international organisations as well as smaller clients. Leasehold premises at Hayes, Middlesex, with 20 years unexpired, stocks, motor vehicles, sundry plant and equipment, including four lithographic printing machines.

For further details contact:

S.J.L. Adamson C.A.
Arthur Young McClelland Moores & Co.
Rolls House, 7 Rolls Buildings
Fetter Lane, London EC4A 1NH
Telephone: 01-831 7130 ext. 4123

Arthur Young McClelland Moores & Co.

JAMES H DENNIS PLC

(in receivership) trading as
DENNIS CASTINGS and KNOWSLEY ENGINEERING

The business and assets of James H Dennis plc are available for sale as a going concern by the receivers.
The company manufactures a range of fire protection equipment particularly for the petrochemical industry and also produces both ferrous and non-ferrous castings.
The principal features of the business are:
- Leasehold premises of 60,000 sq ft located in Trafford Park, Manchester close to the motorway network
- Capability for design and manufacture of fire protection systems
- Recently modernised foundry
- Substantial order book
- Turnover approximately £6.5m per annum

Enquiries to: CR Godwin FCA, Price Waterhouse, York House, York Street, Manchester M2 4WS.
Telephone: (061) 228 6541 Telex: 669591

Price Waterhouse

PETER DUAL LIMITED

(in receivership) trading as
DUAL LIVING

The trade and business assets of this well-known furniture retailer and manufacturer are available for sale.
The principal features of the business are:
- 6 well-positioned leasehold shops located throughout the North-East.
- Excellent warehousing and distribution facilities close to the A19
- Repair, polishing and upholstery facilities
- 1983 turnover approximately £1.9 million.

Enquiries to: GC Horsfield FCA, Price Waterhouse, Sun Alliance House, 35 Mosley Street, Newcastle-upon-Tyne, NE99 1PL.
Telephone: (0632) 328493 Telex: 537222

Price Waterhouse

Existing Marketing and Distribution Company

Reputable direct-sell U.S. company, largest in its segment, wishes to sell its already established business in England. Current annual sales of this business over £1 million with high profit potential for a go-ahead businessman or a person with direct sell/sales background who wishes to run own company. Initial investment requirement in the region of £100 000 for part payment of current inventory. No fee or goodwill asked for the business already very well developed.

We are seeking to develop long-term relationship with a person who can motivate and work with people on the one hand and run his business with control on the other. For this kind of person it is an excellent opportunity.

Write in confidence providing details to:
B. Wilkes, FCL
3 Castel Street, High Wycombe, Buckinghamshire HP13 6RZ
Phone: 04 943 2631

REGINALD TILDESLEY LTD. FORD MAIN DEALER

WALSALL

The assets and business are for sale as a going concern.
Turnover for 1983 £14.5 million.

The two impressive showrooms on extensive freehold sites separate the car and truck business. The truck site also has a petrol forecourt.

Further information from
The Joint Receiver, Maurice Withall
Fairfax House, Fulwood Place, London WC1V 6DW
Telephone: 01-405 8422 Telex: 28984

Thornton Baker

MARINE SALES COMPANY

Sales of Motor Yachts & Cruisers and Sailing Yachts
Manufacturing own range of sea-going Cruisers
Number of exclusive UK Dealerships and Agents held. Brokerage and Chandlery. Operating from Freehold Yard and Marina with extensive mooring facilities — South Coast, and London Showrooms

FOR SALE
Full details — Ref: AJR/RWP
EDWARD SYMMONS & PARTNERS
56/62 Wilton Road, London SW1V 1DH
01-834 8454 Telex: 8954348
And at Manchester & Liverpool

LICENSED RESTAURANT, GLASGOW

Highly popular restaurant in city centre. Sales £400,000. Cocktail bar. Function suite. Offers around £200,000.
Principals only to Box G9443, Financial Times
10 Cannon Street, London EC4P 4BY

CONTRACTS AND TENDERS

ECONOMIC COMMUNITY OF WEST AFRICAN STATES

Ecowas Telecommunications Project

— Intelcom 1 (phase B)

INVITATION TO TENDER

The executive secretariat of the Economic Community of West African States invites to international tender on 31st January, 1984, under its regional telecommunications project Intelcom 1, Phase B. Facilities to be provided under this invitation to tender are to be financed by the European Investment Bank.

This invitation to tender is for the supply, installation and commission of equipment for two microwave links consisting of the following:

Lot 1—Kaolack (Senegal)—Banjul (Gambia)—Cacheu (Guinea-Bissau)
Lot 2—Tambacounda (Senegal)—Mali (Guinea)

The invitation to tender is opened to at least contracting firms from the European Economic Community (EEC) and from the African, Caribbean and Pacific States (ACP) signatories of the second Lome convention.

Documents in English and French for Lot 1 and in French only for Lot 2 are available for inspection and may be obtained from the following addresses:

Ecowas Executive Secretariat
Department of Transport, Telecommunications and Energy,
6, King George V Road,
Lagos, Nigeria
Telex: 22633 Ecowas Ng

Ecowas Fund
Avenue Du 24 Janvier opposite Centre Culturel Francais
Lome, Togo
Telex: 5339 Cedeao To

British Telconsult
55, Old Broad Street,
London EC2M 1RX
United Kingdom
Telex: 887523

The payment of U.S.$500.00 for the tender documents which will be available from 7th February, 1984, must be made by bank order in favour of Ecowas Fund.

Tender proposals in English and French should be sent to Ecowas Fund, P.O. Box 2704, Lome, Togo, to arrive at the latest by 4th June, 1984, at 11.00 hours (local time) or delivered in person at the headquarters of the Ecowas Fund

Tenders will be opened in public on 5th June, 1984, in Lome, Togo, at the headquarters of the Ecowas Fund.

NEW YORK STOCK EXCHANGE 24–26
AMERICAN STOCK EXCHANGE 25–26
WORLD STOCK MARKETS 26
LONDON STOCK EXCHANGE 27–29
UNIT TRUSTS 30–31
COMMODITIES 32
CURRENCIES 33
INTERNATIONAL CAPITAL MARKETS 34

FINANCIAL TIMES
Tuesday February 7 1984

ØØ

WALL STREET

Selling bout brings quick reversals

THE ROUT of Wall street continued yesterday when stock prices suffered their heaviest one-day fall in more than a year. The loss of confidence in the stock market was deepened by indications that the Federal Reserve Board intends to stand firm on its credit policies, *writes Terry Byland in New York.*

Bond prices fell by half a point, pushing yields at the long end to their highest levels for three weeks, as the market braced itself for this week's record Treasury funding programme.

Institutional investors reacted strongly to an overwhelming vote at December's meeting of the Federal Open Market Committee to maintain tight credit policies, and, if necessary, to tighten further. The trend of Fed policy was further indicated by publication yesterday of its monetary report, prefacing today's appearance before the House Banking Committee of Mr Paul Volcker, its chairman.

In the stock market, the realisation that interest rates are now unlikely to fall, and may rise under the influence of massive federal deficits and a strong Fed policy, gave a further downward turn to confidence. As the pace of U.S. economic recovery has slackened, market analysts have been downgrading forecasts of 1984 earnings now recognised as over-optimistic.

Leading stocks suffered substantial and widespread losses as soon as the session opened. Attempts at a rally were largely unsuccessful and stock prices plunged afresh in the late afternoon. The Dow Jones industrial average ended 22.72 down on the day at 1,174.31, its lowest level since August 9th last year.

Trading volume at 109.8m shares showed no let-up from Friday's levels. Almost 1,200 stocks recorded losses compared with 785 showing gains.

Nearly 2.5m shares in IBM were traded during the session. The price dipped \$2¼ to \$108½ after a block trade at \$110.

A lengthy list of other major stocks to suffer block sales included AT & T, \$⅛ off at \$18⅞; Boeing, \$1⅞ down at \$41; and Merrill Lynch, \$1⅛ off at \$26½.

Stocks of the Wall Street brokerage houses continued to fall sharply on expectation that the institutional trading has been transacted at reduced commission rates. Also hard hit were mainframe computer makers, believed to be suffering from excessive competition. Honeywell dipped by \$2¾ to \$112.

Motor stocks suffered severely, with Chrysler down \$⅝ to \$29, General Motors down \$1¼ to \$69 and Ford \$⅝ lower at \$38½. The heavy fall in transport stocks included railway issues, likely to suffer from reduced industrial activity, and airline issues, which offer healthy profits for institutions wanting to go liquid.

AMR (American Airlines) dipped \$1⅝ to \$31⅞. Other weak spots among the heavy industrials included General Electric, \$1½ off at \$53; McDonnell Douglas \$1⅞ down at \$56¼; Monsanto; \$1¼ lower at \$92¼; and Alcoa (Aluminium of America), \$1⅞ weaker at \$38⅝.

United Technologies gained \$¾ to \$66⅞ and Texas Instruments at \$122 shed \$4¾.

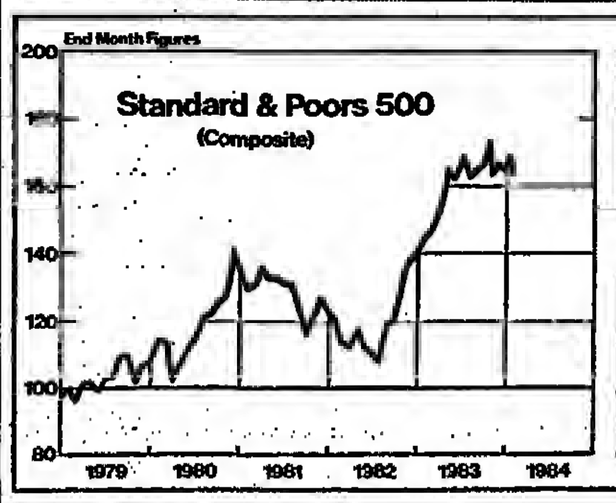
Among oil shares, the recent gains brought selling of such leading issues as Exxon, off \$⅞ at \$37¾; and Texaco, \$⅞ down at \$40. Warrants in Petro Lewis, operator of energy search management partnerships, dipped \$1⅜ to \$1⅜ as the group suspended sales operations.

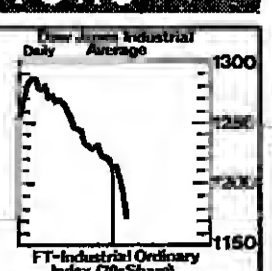
Credit markets, which have held steady for the past fortnight, reacted badly to the Fed's monetary reports. On the New York futures markets, the March delivery contract for Treasury bonds fell half a point to 70 23/32, but then struck a support level.

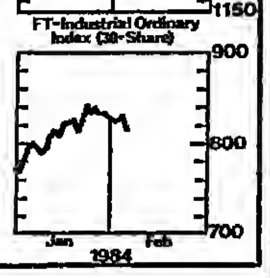
Prices quickly followed suit in the cash market, with dealers convinced that yields will have to rise to accommodate this week's Treasury funding. The key long bond fell to 101 25/32, down 15/32 to yield 11.78 per cent.

The short end of the market was equally nervous, and rates on three-month Treasury bills rose by six basis points to 9.09 per cent, with the six-month rate four basis points up, also at 9.09 per cent. The federal funds rate remained firm at 9⅝ per cent, at which level the Fed announced 31.5bn in customer repurchase arrangements.

KEY MARKET MONITORS







STOCK MARKET INDICES

NEW YORK	Feb 6	Previous	Year ago
DJ Industrials	1174.31	1197.03	1077.91
DJ Transport	527.66	535.37	485.07
DJ Utilities	131.26	131.89	125.05
S&P Composite	158.11	160.91	146.14
LONDON			
FT Ind Ord	815.50	832.40	643.00
FT-A All-share	492.68	500.48	401.80
FT-A 500	525.98	535.38	435.05
FT-A Ind	481.08	488.16	410.78
FT Gold mines	579.20	597.70	675.00
FT Govt secs	82.72	83.21	77.55
TOKYO			
Nikkei-Dow	10,121.08	10,085.39	8012.64
Tokyo SE	773.15	775.85	582.69
AUSTRALIA			
All Ord.	778.30	776.80	513.50
Metals & Mins.	551.40	547.20	452.60
AUSTRIA			
Credit Aktien	55.43	55.48	49.04
BELGIUM			
Belgian SE	145.01	146.38	103.22
CANADA			
Toronto Composite	2415.90	2455.60	2055.00
Montreal Industrials	420.02	428.12	350.10
Combined	405.55	412.11	337.24
DENMARK			
Copenhagen SE	221.55	222.47	103.42
FRANCE			
CAC Gen	165.20	168.10	103.60
Ind. Tendance	106.90	109.40	107.30
WEST GERMANY			
FAZ-Aktien	364.98	370.28	253.33
Commerzbank	1078.50	1094.50	759.70
HONG KONG			
Hang Seng	1134.50	1108.54	895.45
ITALY			
Banca Comm.	228.25	229.14	182.98
NETHERLANDS			
ANP-CBS Gen	168.20	174.60	105.70
ANP-CBS Ind	138.30	144.10	92.10
NORWAY			
Oslo SE	238.17	242.67	130.44
SINGAPORE			
Straits Times	1068.38	1071.01	777.60
SOUTH AFRICA			
Golds	n/a	973.00	1034.40
Industrials	n/a	889.80	829.50
SPAIN			
Madrid SE	closed	108.59	103.85
SWEDEN			
J & P	1593.52	1594.50	1072.65
SWITZERLAND			
Swiss Bank Ind	370.70	376.40	302.60
WORLD	Feb 3	Prev	Year ago
Capital Int'l	184.30	185.60	157.00

GOLD (per ounce)

	Feb 6	Prev
London	\$381.50	\$383.875
Frankfurt	\$380.75	\$383.25
Zürich	\$381.25	\$363.50
Paris (fixing)	\$381.08	\$381.58
Luxembourg (fixing)	\$381.00	\$385.75
New York (Feb)	\$381.20*	\$386.10

* Latest available figure

CURRENCIES

(London)	U.S. DOLLAR Feb 6	U.S. DOLLAR Previous	STERLING Feb 6	STERLING Previous
\$	–	–	1.4255	1.4280
DM	2.7405	2.7370	3.91	3.91
Yen	233.05	232.75	332.50	332.50
FFr	8.4075	8.4150	11.9850	12.0150
SwFr	2.2100	2.2000	3.1525	3.1450
Guilder	3.0895	3.0920	4.4050	4.42
Lira	1687.50	1689.50	2405	2411.50
BFr	56.10	56.15	80.00	80.20
C\$	1.24525	1.24625	1.7745	1.7795

INTEREST RATES

Euro-currencies (3-month offered rate)	Feb 6	Prev
£	9 7/16	9⅜
SwFr	3 7/16	3 7/16
DM	5⅞	5⅞
FFr	14⅞	15⅛
FT London Interbank fixing (offered rate)		
3-month U.S.\$	9 13/16	9⅞
6-month U.S.\$	10	9 15/16
U.S. Fed Funds	9 11/16*	9½
U.S. 3-month CDs	9.35*	9.40
U.S. 3-month T-bills	8.10*	9.01

U.S BONDS

Treasury	Feb 6* Price	Feb 6* Yield	Prev Price	Prev Yield
10⅛ 1985	100	10.63	100 4/32	10.55
11¾ 1991	100 25/32	11.58	101	11.54
11.75 1993	100 14/32	11.67	100 23/32	11.62
12 2013	101 25/32	11.85	102 7/32	11.73
Corporate	Feb 6* Price	Feb 6* Yield	Prev Price	Prev Yield
AT & T				
10⅜ June 1990	94⅛	11.70	93½	11.80
3⅞ July 1990	68⅝	10.70	68⅝	10.75
8¾ May 2000	76.092	12.15	75¾	12.20
Xerox				
10⅛ March 1993	92¾	11.95	92¼	12.05
Diamond Shamrock				
10⅛ May 1993	91⅝	12.15	91⅞	12.20
Federated Dept Stores				
10⅛ May 2013	87½	12.20	87¼	12.30
Abbot Lab				
11.80 Feb 2013	96⅞	12.20	96⅝	12.25
Alcoa				
12¼ Dec 2012	96⅞	12.65	96⅝	12.70

FINANCIAL FUTURES

CHICAGO	Latest	High	Low	Prev
U.S. Treasury Bonds (CBT) 8% 32nds of 100%				
March	70–29	71–01	70–23	71–08
U.S. Treasury Bills (IMM) \$1m points of 100%				
March	90.95	90.96	90.88	91.04
Certificates of Deposit (IMM) \$1m points of 100%				
March	90.39	90.41	90.34	90.48
LONDON				
Three-month Eurodollar \$1m points of 100%				
March	90.20	90.27	90.19	90.31
20-year Notional Gilt £50,000 32nds of 100%				
March	108–03	109–03	107–26	109–10

COMMODITIES

(London)	Feb. 6	Prev
Silver (spot fixing)	614.30p	621.80p
Copper (cash)	£987.50	£992.50
Coffee (March)	£2099.50	£2074.50
Oil (spot Arabian light)	\$28.60	\$28.65

LONDON

Confidence falters on U.S. fears

CONFIDENCE faltered in London yesterday as the FT Industrial Ordinary index finished 18.9 down at 815.5, the largest one-day slide since September 28, 1981, when equities were upset by fears of higher interest rates.

Wall Street's uncertainty over the direction of the U.S. economy and federal monetary policies has finally unsettled UK investors who have been preoccupied by more domestic, and somewhat more encouraging, economic news.

Leading London shares have recently displayed the odd twitch over New York.

Details, Page 27, Share Information Service, Pages 28-29.

HONG KONG

THE Cable and Wireless bid for Hongkong Telephone sparked renewed domestic and foreign interest in Hong Kong as investors returned from the four-day lunar new year holiday, and the Hang Seng index ended the day at a 17-month high.

Shares in Hongkong Telephone, which ended last Wednesday's regular half-day session at HK\$41, were suspended. Elsewhere, China Light added HK\$1 to HK\$14.50 and Hongkong Electric was up 35 cents to HK\$6.90.

SINGAPORE

A CAUTIOUS mood returned to Singapore after the long holiday weekend and shares ended slightly lower in light trading. The Straits Times index ended down 2.83 at 1068.38.

Among actives, Supreme Corporation slipped 1 cent to S\$2.19 while Promet added 4 cents at S\$4.72.

Elsewhere, Malayan Cement was down 15 cents at S\$9.35, while 10-cent declines were recorded by Inchcape at S\$3 and OCBC at S\$11.50. United Overseas Bank lost 5 cents to S\$5.80.

AUSTRALIA

IMPROVED gold and base metal prices continued to underpin resource stocks in Sydney but industrials were again easier on foreign profit-taking.

Broken Hill Proprietary was actively traded, spurred by a profits increase in the first half of its current year. BHP opened up 20 cents at A\$14.20 and moved on up to A\$14.30 by the close.

Among minings, Western Mining added 8 cents to A\$4.48 ahead of an announcement after the close of a sharp increase in profits for the 28 weeks to January 3.

SOUTH AFRICA

A SLIP in the bullion price prompted Johannesburg gold shares to decline, leaving most to finish at their lows for the day.

Free State Geduld fell R3 to R45.50, although Buffels was only 25 cents weaker at R64. Anglo-American Gold relinquished R3.50 of last week's gains at R138.50.

Elsewhere, Barlow Rand was 5 cents off at R13.80 while AE & CI was unchanged at R8.55.

CANADA

MOVING in sympathy with Wall Street, every major Canadian stock sector declined yesterday, with gold issues showing the least resilience in Toronto and base metals also incurring substantial losses.

Industrials and utilities in Montreal were noticeably weaker as banks and papers fell into line with the broad retreat.

TOKYO

Demand for speculatives spurs rally

INVESTORS retreated to the sidelines in Tokyo yesterday, burdened by a margin buying balance which by last weekend was estimated to have increased by around Y50bn, *writes Shigeo Niskiwaki of Jiji Press.*

The combined margin buying balance of the Tokyo, Osaka and Nagoya stock exchanges will be announced on Tuesday.

The Nikkei-Dow Jones average, however, registered a 35.89 rise to 10,121.08 because many speculative and non-ferrous metal stocks, which found support, are counted as issues in calculating the 225-issue indicator. It was the first rally in four sessions.

Losses outnumbered gains 364 to 321, with 161 issues remaining unchanged. Transactions totalled 278.92m, declining from Saturday's 294.79m. Mitsubishi Oil led in volume with 21.58m shares changing hands, followed by Dowa Mining with 18.85m shares.

Buying of KDD, which has been drawing speculative interest since the turn of the year on expectation of a stock split, gained momentum amid the general wait-and-see mood. The issue reached Y19,990 at one stage, but finished the day at Y19,900, still Y550 higher on Saturday's close.

In the absence of special incentives, buying concentrated on speculative oil and non-ferrous issues. Mitsubishi Oil put on Y80 to Y800, while Nippon Oil added Y30 to Y1,050, Maruzen Oil Y15 to Y365 and Showa Oil Y15 to Y425. Dowa Mining gained Y40 to Y645 and Toho Zinc Y31 to Y343.

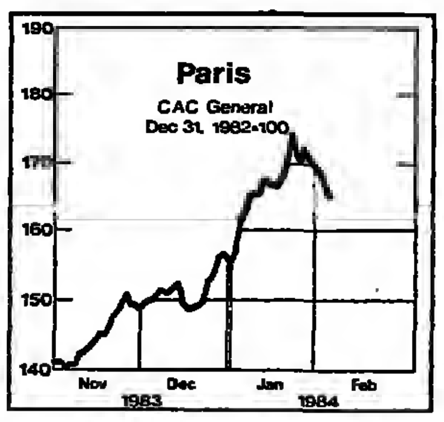
Among chemicals, Kanto Denka scored a Y210 surge to Y1,900. Ishihara Sangyo and Mitsui Petrochemical were also higher, advancing Y20 to Y537 and Y24 to Y347 respectively.

However, high-priced issues and blue chips were generally weaker, with Kyocera down Y160 to Y10,440 and Matsushita Electric Industrial losing Y10 to Y1,860.

Meanwhile bond prices, which gained sharply last week due to the strength of European currencies against the U.S. dollar, marked time yesterday.

City and regional banks, along with foreign banks operating in Japan, placed orders to buy government bonds having more than nine years remaining to maturity in large lots of Y3bn to Y5bn. But the yield on the barometer 7.5 per cent government bonds maturing in January 1993 levelled off at 7.41 per cent.

Many investors hope European currencies will appreciate further against the dollar, with the yen advancing with them. They are showing keen interest in moves on the London foreign exchange market.



EUROPE

Retreat as outlook is reassessed

A BROAD retreat was seen in most European centres yesterday, with investors finally coming to the conclusion that they could no longer ignore Wall Street's recent weakness.

Over the past fortnight, the bourses have managed to sustain peak levels, attributing New York's easier mood to technical factors.

However, last Friday's decline by the Dow Jones industrial average below the 1,200 level in heavy volume, together with concern over the U.S. budged deficit, have left many European investors now assessing Wall Street's difficulties as being fundamental in nature.

Yesterday's decline in Europe came as many investors anxiously awaited a clue to Wall Street's trend during the coming week. However, there was some comfort to be found in the view that further sharp declines during the early part of the week could leave many European issues at levels low enough to attract bargain-hunters which, in turn, could sustain a further advance.

Heavy losses were recorded by leading shares in **Frankfurt** on widespread profit-taking, although some late bargain-hunting did take prices off their lows.

The Commerzbank index, calculated at midsession and so reflecting some of the day's weakest levels, dipped 16 to 1,078.5.

The main exception to the decline was AEG, which saw strong speculative buying, ending up DM 1.80 to DM 102.80.

Profit-taking centred on blue-chip issues, which have seen recent strong gains. Siemens fell DM 9 to DM 400.50 and Veba dipped DM 5.20 to DM 178.20.

Among motors, Daimler shed DM 13.50 to DM 612.50 ex-rights, and BMW DM 5.60 to DM 443.90. Volkswagen, which is to introduce a four-wheel-drive estate car later in the year, was down DM 8.30 to DM 221.

Recently weaker chemicals continued their decline, with Hoechst down DM 2.60 to DM 188.20, BASF DM 3.80 to DM 172.80 and Bayer DM 3.80 to DM 178.20.

Banks were lower but stores generally held steady. BHF and Degussa, which have both announced rights issues, turned lower – down DM 4 to DM 312 and 50 pfg to DM 384 respectively.

Bonds held steady in moderate turnover as the market paused for breath after last week's advance. The Bundesbank bought DM 5.2m of paper to balance the market after its sales of DM 17.9m on Friday.

Amsterdam saw some of its sharpest losses of this year with heavy selling due to profit-taking and stop-loss orders. Hardest hit were the financial sector, together with some international and other popular issues that have risen most sharply in the past few weeks.

The ANP-CBS general index dipped 6.4 to 168.2, with losers outnumbering gains by about 10 to 1.

Akzo led the decline among internationals, down Fl 8.20 to Fl 113.80, but Philips was among a few better maintained issues shedding just 80 cents to

Continued on Page 26

NEW YORK STOCK EXCHANGE COMPOSITE CLOSING PRICES

12 Month High	12 Month Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
19	9⅛	AAR	.44	2.3	23	389	19	18⅝	19	
52¾	30½	ACF	1.40	3.3	204	653	43½	41½	42¼	-1
18⅞	14¾	AMF	.50	3.1		781	16	15⅜	15⅞	
41¼	20¾	AMR Cp			14	12366	32¼	31½	31⅞	-1⅛
20¾	18⅜	AMR	pf2.18	11.		84	20⅝	20⅜	20⅜	
41⅞	24⅞	AMR	pf2.13	6.4		378	34⅞	33	33	-1⅞
16¾	3½	APL			18	81	12¾	12½	12½	-¼
56¼	34¾	ARA	2.05	4.2	11	32	49½	48¾	48¾	-1
77¼	50¾	ASA	3a	4.9		z771	61½	59⅝	61	+⅜
33¾	14⅝	AVX	s .32	1.3	37	631	24¾	24¼	24¾	-¼
53⅝	36⅞	AbtLab	1	2.2	16	1702	45¼	44⅝	45⅝	
30¾	23¾	AccoW	n.60	2.3	18	76	27¼	26½	26½	-¾
27½	17⅝	AcmeC	.40	1.7		503	24½	23½	23½	-1⅛
14½	8½	AcmeE	.32b	2.5	79	128	12¾	12⅝	12⅝	-¼
24⅞	8⅝	AdmDg	.04	.3	11	43	13⅞	13¾	13⅞	+⅛
18¾	15⅜	AdaEx	2.11e	13.		83	16¼	16¼	16⅜	
19¾	7¾	AdmMl	.24	1.4	8	80	17	16¾	17	+¼
18⅝	9⅞	Advest	.12	1.2	8	203	10⅝	10¼	10⅜	-⅛
37½	15½	AMD	s		30	4360	26⅞	26½	26¾	-1⅛
24⅝	13⅞	Aerflx	s		15	55	14⅞	14⅞	14⅞	-⅛
43¾	35	AetnLf	2.64	7.8	8	1233	34⅞	34⅛	34¼	-¼
65	55¼	AetL	pf5.09e	9.6		122	56⅞	56⅞	56⅞	+¼
40½	24	Ahmns	1.20	4.0	8	824	30¾	29¾	30¼	-1
7⅞	3	Aileen				144	4⅛	3⅞	3⅞	-⅛
51	38¼	AirPrd	1	2.3	12	952	44⅛	44	44	-¼
30⅝	18⅝	AirbFrt	.60	2.4	21	80	26	25½	25½	-¼
3	1¾	AlMoa	s		27	203	3	2⅞	3	+⅛
33½	28¼	AlaP	pfA3.92	13.		49	30½	30¼	30½	+½
7⅞	6½	AlaP	dpf.87	12.		56	7⅛	7	7⅛	+⅛

[illegible]

Continued on Page 25

AMERICAN STOCK EXCHANGE COMPOSITE CLOSING PRICES

12 Month High	Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
[illegible]										

Continued on Page 26

NEW YORK STOCK EXCHANGE COMPOSITE CLOSING PRICES

Continued from Page 24

12 Month High	Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
[illegible]										
11¼	7½	Trico	16	1.7	38	z115	9½	9¼	9¼	
29¾	15¾	Trinty	.50	2.5	32	162	20¼	19¾	20¼	−¾
16¾	7⅞	TritEng	10	.6	11	144	16	15¾	15¾	−⅛
41¾	25½	TucsEP	2.60	6.7	7	291	38¾	38½	38¾	
16¾	14¼	TuAJ	n .40	3.2	12	139	15	14¾	15	−⅛
36	20¼	TycoLb	.70	2.5	12	127	28¼	27¼	27½	−1¼
31½	20¾	Tyler	.70	2.7	14	46	26½	25¾	25¾	−⅞
29	16	Tymshr				475	13¾	15¾	19¾	−⅜

Continued on Page 26

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 per cent or more has been paid, the year's high-low range and dividend are shown for the new stock only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

a–dividend also extra(s). b–annual rate of dividend plus stock dividend. c–liquidating dividend. cld–called. d–new yearly low. e–dividend declared or paid in preceding 12 months. g–dividend in Canadian funds, subject to 15% non-residence tax. i–dividend declared after split-up or stock dividend. j–dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k–dividend declared or paid this year, an accumulative issue with dividends in arrears. n–new issue in the past 52 weeks. The high-low range begins with the start of trading. nd–next day delivery. P/E–price-earnings ratio. r–dividend declared or paid in preceding 12 months, plus stock dividend. s–stock split. Dividends begins with date of split. sls–sales. t–dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u–new yearly high. v–trading halted. vi–in bankruptcy or receivership or being reorganised under the Bankruptcy Act, or securities assumed by such companies. wd–when distributed. wi–when issued. ww–with warrants. x–ex-dividend or ex-rights. xdis–ex-distribution. xw–without warrants. y–ex-dividend and sales in full. yld–yield. z–sales in full.

WORLD STOCK MARKETS

EUROPE

Retreat as outlook is reassessed

Continued from Page 23

Fl 46.10, helped by the announcement that it is raising its stake in Grundig.

Elsewhere, KLM dropped Fl 20.20 to Fl 191.80 and Unilever was down Fl 9.80 to Fl 260.50.

Among publishers, Elsevier was Fl 15 lower at Fl 545, while VNU dipped Fl 8.80 to Fl 156.50.

Bonds marked time in very quiet conditions ahead of the close of subscriptions today for the state's seven-year, 8½ per cent tender.

Losses were widespread in **Paris** although some selective buying was seen among oils. Esso went against the trend, adding FFr 34 to FFr 656 and BP FFr 3.50 to FFr 66.

But over the market as a whole, declines led advances by a ratio of 7 to 1.

Banks and foods were sharply lower with Cie Bancaire off FFr 21 to FFr 460, Bongrain down FFr 40 to FFr 1,885, BSN FFr 15 lower at FFr 2,580 and Carrefour FFr 24 easier at FFr 1,545.

The weakness of the Belgian franc and competition for funds from a new state loan contributed to the weakness in **Brussels**.

Sharp declines posted in the chemicals sector were seen as a reaction to recent strong gains. Solvay, shareholders in which will be asked on March 9 to approve a share exchange that will consolidate the company's outstanding stock into one type of bearer share, lost BFr 140 to BFr 3,900.

Tessenderlo dipped BFr 30 to BFr 2380 and UCB BFr 320 to BFr 5,000.

Among utilities, Electrafina closed down BFr 120 at BFr 3,530 and Unerg was BFr 24 lower at BFr 1,406.

Financials were also hit with Groupe Bruxelles Lambert down BFr 20 to BFr 2,630 while Société Générale de Belgique declined BFr 25 to BFr 1,760.

The announcement that Oerlikon-Buhrle will probably omit its dividend payout on 1983 business was a strong factor in the widespread losses experienced in **Zurich**.

The engineering group's shares, which were briefly suspended from trading after they opened down the 10 per cent limit, ended sharply lower. After a low of SwFr 1,360 at one stage, the shares ended down SwFr 145 on the day at SwFr 1,370.

Other engineerings eased in sympathy, while in fairly active banks, Crédit Suisse shed SwFr 15 to SwFr 2,380 and UBS eased SwFr 5 to SwFr 3,820.

Chemicals were generally slightly below previous levels although Hoffmann-La Roche fell SwFr 250 to SwFr 10,100.

Bonds ended mixed in lacklustre trading.

Late sales reversed an earlier upward trend in **Milan** and were attributed to technical, speculative factors triggered by the sharp advances of previous sessions.

Fiat was in heavy early demand in response to 1983 results and planned investments in other Italian companies. At the official close, Fiat was up L125 at a 15-year high of L4,300 but it fell back in unofficial after bourse dealings. Snia Viscosia added L21 to L1,602.

Stockholm went against the trend with shares ending mainly higher. The Veckans Affarer all-share index was at a recrd 612.2, compared with Friday's previous all-time high of 609.8 The J&P index, however, was marginally lower.

Among leading issues to give up some of last week's gains were Aga, down SKr 12 to SKr 400, and Volvo B, down SKr 10 at SKr 485.

AMERICAN STOCK EXCHANGE CLOSING PRICES

Continued from Page 25

12 Month High	Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

NEW YORK CLOSING PRICES

Continued from Page 25

12 Month High	Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

CANADA

Stock	Feb. 3	Feb. 2
[illegible]	[illegible]	[illegible]

DENMARK

Feb. 6	Price Knr %	+ or —
Aarhus Olie	476	
Andelsbanken	320	—8
Baltic Skand	625	+10
CopHandelsbank	311	
D. Sukkerfab	650	—3
Danske Bank	347	—8
East Asiatic	215	+3
Forenede Brygg.	1,200	
Forenede Damp.	160	—8
GNT Hldg.	700	
I.S.S.B.	693	
Jyske Bank	725	
Novo Ind	9,723	
Privatbanken	333	—8
Provinsbanken	359	—7
Smidth (F.)	279	+1
Sophus Berend.	1,373	+43
Superfos	370	—13

FRANCE

Feb. 6	Price Frs.	+ or —
Emprunt 4½% 1973	1,930	+73
Emprunt 7% 1973	2,620	—10
CNE 3%	3,301	—12
Air Liquide	521	—16
BIC	411xe	—12
Bouygues	733	—21
BSN Gervais	2,580	—15
CIT-Alcatel	1,378	—27
Carrefour	1,548	—24
Club Mediter'n	773	—13
CFAO	334	—3
Cie Bancaire	460	—21
Cofimeg	221.2	—2.1
Creusot Loire	51.6	—2.3
Darty	834	+4
Dumez S.A.	676	—22
Eaux (Cie Gen)	525	—12
Elf-Aquitaine	207	
Gen. Occidentale	658	—12
Imetal	80	—4
Lafarge Coppee	321	—8.3
L'Oreal	2,166	—17
Legrand	2,140	—61
Maisons Phenix	520	—0.1
Matra S.A	1,850	—31
Michelin B	930	—40
Midi (Cie)	1,410	—30
Moet-Hennessy	1,348	—17
Moulinex	98.6	—3.6
Nord Est	63.1	+0.4
Pernod Ricard	720	—7
Perrier	317	—13
Petroles Fra.	902	—7.6
Peugeot S.A.	242	—4
Poclain	67	—9
Printemps Au.	161	—3.8
Radiotech	572	—11
Redoute	1,160	—20
Roussel-Uclaf	828	—17
Schneider S.A.	132.2	—0.6
Sefimeg	258	—5.9
Skis Rossignol	1,350	—40
Telemech Elect.	1,480	—50
Thompson (CSF)	293.3	—12.3
Valeo	299.5	—16.8

GERMANY

Feb. 6	Price Dm.	+ or —
AEG-Telef.	102.6	+1.6
Allianz Vers.	621	—11
BASF	172.8	—3.8
Bayer	178.2	—3.8
Bayer-Hypo	995	—3
Bayer-Verein	331.5	—6.5
BHF-Bank	312	—4
BMW	443.9	—6.5
Brown Boveri	242	—3.5
Commerzbank	184	—3.3
Cont'l. Gummi	140.6	—1.2
Daimler-Benz	612.5xr	—13.6
Degussa	364	—0.3
Demag	146	
D'sche Babcock	186.8	—4
Deutsche Bank	366.5	—8.7
Dresdner Bank	180	—1.6
GHH	147	—5
Hochtief	486	—10
Hoechst	186.2	—2.6
Hoesch Werke	129.6	—3
Holzmann (P)	466	—3
Horten	123	
Kali und Salz	216	—9.2
Karstadt	274	+1
Kaufhof	268	
KHD	252	—3
Kloeckner	68.3	
Krupp	90	—2
Linde	399	—2
Lufthansa	162	—5.3
MAN	141	
Mannesmann	160	—5
Mercedes Hld.	327.5	—7.5
Metallgesell	246	—3
Muench Rueck	1325	—43
Preussag	264	—3.5
Rhein West Elect	182.7	—1.8
Rosenthal	970	+3
Schering	369.5	—8.5
Siemens	400.6	—8
Thyssen	89.5	—3.2
Varta	183	—3
Veba	178.2	—3.2
V.E.W.	125.6	—1.1
Verein-West.	517	—2
Volkswagen	221	—5.3

AUSTRIA

Feb. 6	Price Sch%	+ or —
Creditanstalt	210	—2
Goesser	320	
Interunfall	410	
Laenderbank	213	—1
Perlmooser	330	
Steyr-Daimler	156	
Veitscher Mag	214	+3

BELGIUM/LUXEMBOURG

Feb. 6	Price Frs.	+ or —
ARBED	1,350	—60
Banq Int A Lux	5,150	+50
Bekaert B	3,690	
Ciment CBR	2,150	+50
Cockerill	217	+4
Delhaize	6,770	—70
EBES	2,330	—80
Electrobel	6,200	—40
Fabrique Nat	2,300	—3
GB Inno BM	3,520	—20
GBL (Brux)	2,630	—20
Gevaert	3,330	—20
Hoboken	3,290	—10
Intercom	1,856xr	
Kredietbank	7,290	+40
Pan Hldgs.	9,600	—170
Petrofina	6,980	+10
Royale Belge	8,900	
Soc. Gen. Banq.	6,213	
Soc. Gen. Belge	1,760	—25
Sofina	6,680	+80
Solvay	3,900	—140
Traction'el	3,400	—100
UCB	3,000	—320
Vieille Mont	4,130	—30

ITALY

Feb. 6	Price Lire	+ or —
Banca Com'le	37,810	+10
Bastogi-IRBS	166.9	—1.9
Centrale	1,650	—73
Credito Varesino	6,100	—53
Fiat	4,300	+123
Finsider	43	—3
Generali Assicur	39,590xc	+300
Invest	3,400	
Italcementi	47,990	—1,010
Montedison	243	+1
Olivetti	4,473	
Pirelli Co	5,283	+43
Pirelli Spa	1,844	
Snia BPD	1,602	+91
Toro Assic.	14,130	+231
do. Pref.	11,000	+300

NETHERLANDS

Feb. 6	Price Fls	+ or —
ACF Holding	195	—13
Aegon	129.5	+12.7
Ahold	223	—10
AKZO	113.8	—8.2
ABN	422	—12
AMEV	168.3	—8.2
AMRO	74.5	—3.4
Bredero Cert.	208	—11
Bos Kalis Westm.	48	—2.7
Buehrmann-Tet.	68	—4
Calland Hldgs.	38	—1.6
Credit Lyon'is Bk	62	—1.3
Elsevier-NDU	545	—13
Gist. Brocades	155.5	—3.7
Heineken	149	—8
Hoogovens	52.2	—4.5
Hunter Douglas	94	—2.7
Int-Mueller	37.8	—3.4
KLM	191.8	—20.2
Naarden	45.2	
Nat Ned Cert	950.5	—18.2
Ned.Credit Bank	38.9	+0.2
Ned Mid Bank	180.3	—14.5
Nedlloyd	121.5	—8.8
Oce Grinten	248	—11
Ommeren (Van)	32.4	—2
Pakhoed	68.5	—5
Philips	46.1	—0.8
Rijn-Schelde	4.7	
Robeco	341.5	—2.3
Rodamco	131.2	+0.2
Rolinco	096.8	—6.1
Rorento	204.4	—0.8
Royal Dutch	169.3	—6.3
Unilever	260.5	—9.8
VMF Stork	113.7	
VNU	156.5	—8.8
West Utr Bank	134.5	—3.3

NORWAY

Feb. 6	Price Kroner	+ or —
Bergens Bank	152.5	—3.5
Borregaard	225	—10
Christiania Bk.	151	—2
Den Norsk Credit	160	—2
Elkem	149	—1
Norsk Data	275	—3
Norsk Hydro	568	—13
Storebrand	207.3	—3.3

SPAIN

Feb. 6	Price Pts%	+ or —
Bco Bilbao	268	—1
Bco Central	315	—2
Bco Exterior	200	
Bco Hispano	291	—1
Bco Santander	269	—6
Bco Vizcaya	332	—8
Dragados	130	
Hidrola	43.7	
Iberduero	46.3	+1.3
Petroleos	104.2	—0.3
Telefonica	73.3	+1

SWEDEN

Feb. 6	Price Kroner	+ or —
AGA	400	—12
Alfa-Laval	305	—5
ASEA (Free)	463	
Astra (Free)	510	
Atlas Copco	140	—2
Boliden	417	
Cardo (Free)	540	+20
Cellulosa	184	
Electrolux B	291	
Ericsson	390	
Esselte	330	+6
Mo Och Domsjo	450	
Pharmacia	324	—11
Saab-Scania	373	+7
Sandvik	343	
Skandia	430	—5
Skan Enskilda	344	+2
SKF	190	+3
St. Kopparbergs	780	—16
Sven Handelsbn.	237	+4
Swedish Match	298	—1
Volvo B (Free)	485	—10

SWITZERLAND

Feb. 6	Price Frs.	+ or —
Alusuisse	912	—4
Bank Leu	4,550	—25
Brown Boveri	1,440	—60
Ciba Geigy	2,190	—10
do. (Part Certs)	1,810	—20
Credit Suisse	2,360	—13
Elektrowatt	2,710	
Fischer (Geo.)	720	—17
Genevoise	3,750	
Hoff-Roche PtCts	101,250	—2500
Hoff-Roche 1/10	10,100	—250
Jacobs Suchard	6,600	—25
Jelmoli	1,800	—40
Landis & Gyr	1,520	—30
Nestle	4,840	—10
Oer-Buehrle	1,370	—145
Pirelli	260	+5
Sandoz (Br)	7,300	+100
Sandoz (PtCts)	1,120	+5
Schindler (PtCts)	550	+10
Swissair	1,070	—10
Swiss Bank	344	—1
Swiss Reinsce.	8,025	—73
Swiss Volksbk.	1,543	—3
Union Bank	3,520	—3
Winterthur	3,000	—100
Zurich Ins.	8,100	—850

AUSTRALIA

Feb. 6	Price Aust $	+ or —
ANZ Group	3.5xc	
Acrow Aust.	1.45	
Alliance Oil D.	0.84	—0.03
Ampol Pet.	1.83	
Aust Cons Ind	1.82	+0.02
Aust. Guarant.	2.92	—0.08
Aust. Nat. Inds.	3.53	—0.01
Aust. Paper	2.2	
Bell Group	3.4	
Bond Corp Hldgs	1.54	—0.01
Boral	3.46	—0.04
B'ville Copper	9.8	—0.1
Brambles Inds	3.83	+0.05
Bridge Oil	3.4	+0.05
BHP	14.6	+0.6
CRA	5.86	+0.12
CSR	4.16	—0.03
Carlton Utd	3.82	
Castlemaine Tys.	4.32	+0.02
Coles (G.J.)	3.75	+0.08
Comalco "A"	3.25	+0.05
Consolidated Pet	0.96	—0.02
Costain Aust.	1.4	+0.00
Dunlop Aust.	1.65	
E.Z. Inds.	6.08	
Elders IXL	4.3	
Energy Res.	1.72	
Gen Prop Trust.	2.16	+0.03
Hardie (J.)	3.67	+0.02
Hartogen Energy	9.93	—0.02
HeraldW'y Times	3.2	+0.05
ICI Aust.	2.28	+0.02
Jimb'lana (50cFP)	0.4	—0.02
Kiaora Gold	0.17	—0.01
Lend Lease	4.83	
MIM	5.55	+0.01
Mayne Nickless	2.7	—0.1
Meekatharra	0.9	
Myer Emp.	2.06	+0.06
Nat. Com. Bk.	3.84	
News	11.6	—0.2
Nicholas Kiwi	3.2	—0.06
North Bkn Hill	3.9	+0.05
Oakbridge	1.01	+0.01
Otter Expl.	0.5	+0.05
Pancont'l	1.4	
Pioneer Conc	1.79	
Reckitt & Coln	2.85	—0.1
Repco	1.54	—0.01
Santos	8	+0.1
Smith (H.)	4.5	
Southland Min'g.	0.51	+0.01
Spargos Expl	0.42	—0.03
Thos. Natwide	2.26	—0.09
Tooth	5.02	
UMAL Cons.	3.8	
Vamgas	3.5	+0.05
Western Mining	4.48	+0.08
Westpac	3.96	—0.03
Woodside Petrol.	1.06	—0.01
Woolworths	2.58	
Wormald Intl	3.18	

HONG KONG

Feb. 6	Price H.K.$	+ or —
Bank East Asia	23.8	+1.3
Cheung Kong	10.4	+0.3
China Light	14.6	+1
Hang Lung Devel	2.5	
Hang Seng Bank	46.5	+1.25
HK Electric	6.9	+0.05
HK Kowloon Wh.	4.7	+0.05
HK Land	4.29	—0.05
HK Shanghai Bk.	9	+0.2
HK Telephone	41	
Hutchison Wpa.	18.2	+0.2
Jardine Math.	14.3	
New World Dev.	3.8	+0.08
Orient O'seas	2.8	+0.05
O'seas Trust Bk.	3.72	—0.08
SHK Props	7.45	+0.08
Swire Pac A	18.8	+0.5
Wheel'k Mard A	4.07	+0.02
Wheel'k M'time	1.95	
World Int. Hldgs	2.17	+0.07

JAPAN

Feb. 6	Price Yen	+ or —
Ajinomoto	1,050	
Alps Electric	2,660	—40
Amada	1,180	—30
Asahi Chem	428	+1
Asahi Glass	683	+18
Bridgestone	582	—5
Canon	1,540	+10
Casio Comp.	1,460	+10
Chugai Pharm	1,060	+10
Citizen	561	—9
Daiei	578	+4
Dai Nippon Ptg	924	—3
Daiwa House	563	—6
Ebara	345	—1
Eisai	1,360	
Fanuc	10,850	—200
Fuji Bank	715	+2
Fuji Film	2,170	+10
Fujisawa	864	—8
Fujitsu	1,360	—10
Green Cross	1,650	—40
Hasegawa	405	—5
Heiwa Real Est.	508	—2
Hitachi	852	—1
Hitachi Credit	1,520	—20
Honda	1,070	—10
House Food	823	—5
Hoya	1,530	—30
Itoh (C)	313	+3
Ito Yokado	2,060	—40
Iwatsu	9,070	—30
JACCS	374	—1
JAL	2,820	—80
Jusco	861	—2
Kajima	300	—9
Kao Soap	593	+6
Kashiyama	683	—4
Kirin	561	—8
Kokuyo	1,030	
Komatsu	504	—1

JAPAN (continued)

Feb. 6	Price Yen	+ or —
Konishiroku	708	
Kubota	329	—2
Kumagai	465	
Kyoto Ceramic	10,440	—160
Maeda Const.	505	+7
Makino Milling	1,430	+30
Makita	1,280	—10
Marubeni	275	—2
Marudai	670	
Marui	1,280	—40
MEI	1,860	—10
M'ta Elec Works	660	
M'bishi Bank	709	—4
M'bishi Corp.	530	
M'bishi Elec	411	—4
M'bishi Estate	465	
MHI	251	+1
Mitsui Co.	347	—3
Mitsui Estate	595	—15
Mitsukoshi	557	—1
NCK Insulators	587	+2
Nihon Cement	205	
Nippon Denso	1,670	
Nippon Elect.	1,450	—10
Nippon Express	292	—1
Nippon Gakki	636	
Nippon Kokan	142	—3
Nippon Oil	1,050	+30
Nippon Seiko	590	
Nippon Shimpan	755	—5
Nippon Steel	170	—3
Nippon Suisan	517	—8
NTV	11,800	+100
Nippon Yusen	247	—2
Nissan Motor	730	—4
Nisshin Flour	464	—1
Nisshin Steel	175	—1
Nomura	745	+5
Olympus	1,030	
Omron Tateisi	2,120	+20
Orient Leasing	5,150	—20
Pioneer	5,600	—20
Renown	709	+8
Ricoh	1,020	—10
Sankyo	680	—1
Sanyo Elect.	546	—5
Sapporo	405	—5
Sekisui Prefab	573	
Seven-Eleven	8,000	—200
Sharp	1,320	
Shimadzu	560	—1
Shionogi	746	—8
Shiseido	1,010	—10
Sony	5,710	
Stanley	767	+1
S'tomo Elect	874	+4
S'tomo Marine	279	—5
S'tomo Metal	160	—2
Taihei Dengyo	540	—10
Taisei Corp	218	—2
Taisho Pharm.	962	—16
Takeda	733	+2
TDK	8,840	—90
Teijin	381	
Teikoku Oil	894	+13
Tokyo Marine	627	—13
TBS	770	—4
Tokyo Elect Pwr.	1,350	+40
Tokyo Gas	174	+1
Tokyo Sanyo	579	+1
Tokyo Style	950	
Tokyu Corp	380	
Toppan Print	680	—5
Toray	410	+4
Toshiba Elect.	402	—3
TOTO	550	—11
Toyo Seikan	726	—23
Toyota Motor	1,370	
Victor	5,500	+60
Wacoal	725	—5
Yamaha	600	—10
Yamanouchi	1,410	—10
Yamazaki	773	—3
Yasuda Fire	248	—1
Yokogawa Bdge.	432	+4

SINGAPORE

Feb. 2	Price $	+ or —
Boustead Hldgs.	9.98	—0.04
Cold Storage	4.96	—0.02
DBS	10.3	
Fraser & Neave	8.75	
Genting	5.3	
Haw Par. Bros	2.78	—0.1
Inchcape Bhd.	3	—0.1
Keppel Shipyard	5.7	—0.07
Malay Banking	9.85	+0.15
Malay Brew.	7	
Multi Purpose	2.23	
OCBC	11.5	—0.1
OUB	4.72	—0.03
Sime Darby	2.86	+0.02
Straits St'mship.	1.82	+0.01
Straits Trdg.	6.03	—0.09
UOB	5.2	—0.05

SOUTH AFRICA

Feb. 6	Price Rand	+ or —
Abercom	2.80	
AE & CI	8.55	
Anglo Am Coal	25.5	—0.4
Anglo Am Corp.	83.5	+1.65
Anglo Am Gold	138.5	—3.5
Barclays Bank	19.5	—0.05
Barlow Rand	14.8	—0.05
Buffels	64	—0.25
CNA Gallo	2.8	
Currie Finance	4.5	+0.05
De Beers	10.65	—0.15
Driefontein	41	—0.75
FS Geduld	45.5	—3
Gold Fields S.A.	28.5	+1
Highveld Steel	[illegible]	[illegible]
Nedbank	[illegible]	[illegible]
OK Bazaars	[illegible]	[illegible]
Protea Hldgs	[illegible]	[illegible]
Rembrandt	[illegible]	[illegible]
Rennies	13	
Rust. Plat	13.8	—0.1
Sage Hldgs	6.9	—0.05
SA Brews	7.4	—0.1
Smith (C.G.)	24.6	
Tongaat Huletts	11.50	
Unisec	5.22	+0.02

NOTES — Prices on this page are as quoted on the individual exchanges and are last traded prices. § Dealings suspended. xd Ex dividend. xc Ex scrip issue. xr Ex rights. xa Ex all.

Indices

NEW YORK

DOW JONES

	Feb. 3	Feb. 2	Feb. 1	Jan. 31	Jan. 30	1983-84 High	1983-84 Low	Since Compil'tn High	Since Compil'tn Low
● Industr'ls	1197.05	1213.88	1212.81	1220.58	1221.52	1287.20 (29/11)	1027.04 (3/1/83)	1287.20 (29/11/83)	41.22 (2/7/32)
H'me Bnds	71.67	71.62	71.43	71.38	71.39	77.84 (6/5)	60.85 (8/8)	—	—
Transport	553.37	555.42	550.50	554.69	539.18	612.60 (6/1/84)	434.24 (5/1/83)	612.56 (9/1/84)	12.32 (8/7/32)
Utilities	131.89	132.90	132.85	139.76	132.71	140.70 (31/10)	115.51 (3/1/83)	163.32 (20/4/69)	10.5 (28/4/42)
Trading Vol 000's	109,100	111,000	107,160	116,510	105,120	—	—	—	—

● Day's high 1226.33 (1233.93) low 1192.00 (1198.48)

	Jan. 27	Jan. 20	Jan. 13	Year ago (approx)
Industrial div. yield %	4.43	4.33	4.29	3.06

STANDARD AND POORS

	Feb. 3	Feb. 2	Feb. 1	Jan. 31	Jan. 30	1983-84 High	1983-84 Low	Since Compil'n High	Since Compil'n Low
Industr'ls	180.85	183.87	183.85	186.00	185.54	194.84 (10/10)	184.95 (5/1/83)	194.84 (10/10/83)	3.62 (30/6/32)
Comp's'te	160.91	163.66	162.74	163.41	162.87	172.65 (10/10)	102.84 (3/1/83)	172.65 (10/10/83)	4.40 (1/6/32)

	Feb. 1	Jan. 25	Jan. 18	Year ago (approx)
Industrial div. yield %	3.65	3.76	3.69	4.45
Industrial P/E ratio	13.88	15.49	13.70	11.16
Long Gov. Bond yield	11.37	11.54	11.51	10.93

N.Y.S.E. ALL COMMON

Feb. 3	Feb. 2	Feb. 1	Jan. 31	1983-84 High	1983-84 Low
92.98	94.28	93.83	94.32	99.63 (10/10)	80.92 (24/1/83)

Rises and Falls	Feb. 3	Feb. 2	Feb. 1
Issues Traded	1,989	1,983	1,975
Rises	338	851	631
Falls	1,089	743	951
Unchanged	562	688	584
New Highs	17	18	20
New Lows	39	31	25

MONTREAL

	Feb. 3	Feb. 2	Feb. 1	Jan. 31	1983-84 High	1983-84 Low
Industrial	423.12	428.35	428.62	428.75	466.80 (25/3)	331.16 (4/1/83)
Combined	412.11	413.83	410.80	414.28	441.29 (26/3)	325.12 (4/1/83)
TORONTO Composite	2485.2	2471.4	2468.7	2468.8	2598.0 (26/3)	1949.8 (4/1/83)

	Feb. 3	Feb. 2	Feb. 1	Jan. 31	1983/84 High	1983/84 Low
AUSTRALIA All Ord. (1/1/80)	776.6	776.2	767.4	765.7	787.2 (9/1/84)	487.0 (4/1/83)
Metals & Mins. (1/1/80)	551.4	547.2	530.6	524.2	614.2 (5/9)	411.8 (4/1/83)
AUSTRIA Credit Aktien (2/1/62)	55.45	55.48	55.42	55.47	59.8 (5/5)	48.48 (18/2/83)
BELGIUM Belgian SE (31/12/63)	140.51	146.86	147.88	148.25	148.25 (1/2/84)	100.50 (4/1/83)
DENMARK Copenhagen SE (3/1/83)	221.55	222.47	221.48	229.49	225.21 (26/1/84)	100.00 (3/1/83)
FRANCE CAC General (31/12/82)	165.2	168.1	169.2	170.1	175.1 (25/1/84)	98.1 (5/1/83)
Ind Tendance (30/12/83)	100.6	109.4	110.6	111.0	114.7 (25/1/84)	99.4 (3/1/84)
GERMANY FAZ-Aktien (31/12/58)	364.98	370.28	370.84	368.75	370.84 (2/2/84)	241.88 (25/1/83)
Commerzbank (1/12/53)	1070.8	1084.6	1096.5	1093.6	1096.5 (2/2/84)	727.9 (25/1/83)
HONG KONG Hang Seng Bank (31/7/64)	1134.12	(c)	(c)	1109.54	1134.12 (6/2/84)	698.06 (4/10)
ITALY Banca Comm Ital. (1972)	228.25	229.14	227.21	228.57	229.57 (1/2/84)	160.46 (10/1/83)
JAPAN** Nikkei-Dow (16/5/49)	10121.08	10184.1	10156.5	10200.8	10296.7 (30/1/84)	7805.18 (25/1/83)
Tokyo SE New (4/1/68)	773.16	776.85	775.98	779.02	779.02 (1/2/84)	574.01 (25/1/83)
NETHERLANDS ANP-CBS General (1970)	186.2	174.0	174.6	178.9	178.9 (1/2/84)	100.1 (4/1/83)
ANP-CBS Indust (1970)	169.5	144.1	144.6	147.2	147.2 (1/2/84)	93.8 (4/1/83)
NORWAY Oslo SE (4/1/83)	238.17	242.67	246.37	247.85	247.85 (1/2/84)	98.01 (4/1/83)
SINGAPORE Straits Times (1966)	1068.58	(c)	(c)	(c)	1071.01 (31/1/84)	712.98 (5/1/83)
SOUTH AFRICA Gold (1958)	(u)	975.0	994.4	967.0	1099.5 (1/2/83)	651.4 (1/11)
Industrial (1958)	(u)	983.8	972.1	970.0	1006.4 (10/1/84)	784.8 (6/1/83)
SPAIN Madrid SE (30/12/83)	(c)	108.59	108.59	108.75	109.32 (27/1/84)	100.00 (30/12/83)
SWEDEN Jacobson & P. (1/1/58)	1585.52	1584.9	1579.10	1587.29	1594.5 (6/2/84)	996.18 (5/1/83)
SWITZERLAND SwissBankCpn. (31/12/58)	370.7	376.4	375.1	377.6	388.7 (3/1/84)	294.4 (4/1/83)
WORLD Capital Intl. (1/1/70)	—	—	185.8	184.5	187.2 (20/1/84)	154.5 (5/1/83)

** Saturday February 4: Japan Nikkei-Dow 10,085.39. TSE 773.12.

Base values of all indices are 100 except Australia All Ordinary and Metals—500. NYSE All Common—50; Standard and Poors—10; and Toronto—1,000; the last named based on 1975. † Excluding bonds. ‡ 400 Industrials. § 400 Industrials plus 40 Utilities, 40 Financials and 20 Transports. c Closed. u Unavailable.

هكذا من الأصل

LONDON STOCK EXCHANGE

MARKET REPORT

Equities heed Wall Street signals and late weakness leaves index 16.9 down at 815.5

Account Dealing Dates

Option *First Dealings	Declarations	Last Dealings	Account Day
Jan 30	Feb 9	Feb 10	Feb 20
Feb 13	Feb 23	Feb 24	Mar 5
Feb 27	Mar 8	Mar 9	Mar 19

* "New-time" dealings may take place from 9.30 am two business days earlier.

Confidence distinctly faltered yesterday and the Financial Times Industrial Ordinary share index dropped nearly 17 points as London became increasingly conscious of the warning lights currently flashing on Wall Street. Uncertainty about the direction of the economy and of U.S. Government monetary policies continue to affect financial markets there and last Friday the Dow Jones index retreated below 1,200 to its lowest since last August. It fell sharply again early yesterday soon after Federal Reserve Board confirmation that it would keep a tight rein on money supply this year.

Most international markets have ignored Wall Street's signals and derived encouragement from the course of their domestic economies. Over the past few months, a series of predictions from the CBI and other major forecasting groups on the UK recovery and of its continuance have boosted London sentiment. Through the sustained advance in equity values, turnover has increased noticeably and setbacks have been short-lived.

More recently, however, leading shares have displayed the odd twitch over New York and, last week, the FT Industrial Ordinary share index closed lower over a five-day period for the first time since mid-October, this despite a good rally on Friday. Doubts were thus sown about continuance of the bull market which has lifted the 30-share index some 150 points in only five months.

UK investors showed little inclination to take profits in any fashion yesterday, but the absence of buyers made trading conditions nervous. In the early trade, the fall was only slight but as the day wore on the market became more and more sensitive. After the official 3.30 pm close, sentiment deteriorated rapidly and the index, around 9 points lower at 3 pm, closed 16.9 down on balance at 815.5; this represents the biggest one-day slide since September 28, 1981 when equities were upset by higher interest rate fears.

Hogg Robinson fall

Government securities furthered Friday's late reaction which followed announcement of an unexpected conventional medium/long tap stock, the first of its kind for some 28 months. Longer-dated issues fell quite sharply, some registering falls of over a point as the market moved into line with the yield offered on the new stock, Exchequer 9¾ per cent 1998. Trade was fairly brisk with part of the selling representing the need to raise funds for subscription to the stock with its extended instalment payments, which cover the Budget. Shorter maturities were also affected and lost as much as 1/16 in places.

The absence of the widely-rumoured U.S. bid for Lloyds Broker **Hogg Robinson** prompted profit-taking in the latter which reacted to close 10 down on balance at 165p. Elsewhere, fearing possible substantial claims from the lost Westar 6 satellite, **Sedgwick** gave up 5 at 232p. Life issues gave ground on profit-taking and double-figure falls were commonplace, **Equity and Law** fell 15 to 855p, **Pearl** lost 16 to 899p and **Legal and General** 12 to 566p. Among Composites, **Commercial Union** softened a couple of pence to 185p, after 184p, on adverse comment, but **Phoenix** reflected revived bid hopes with an improvement of 3 to 445p.

The major clearing banks remained unsettled by fears that the Chancellor might impose a VAT-type tax on financial services in the Budget. **Lloyds**, which fell 44 last week, declined 18 further to 550p, while **Barclays** gave up the same amount at 510p. Elsewhere, a week-end Press suggestion that Hong Kong and Shanghai will resurrect its bid for **Royal Bank of Scotland** helped the latter close 2 dearer at 206p.

Fears of increased excise duties in the Budget weighed heavily on Breweries. **Bass** led the retreat with a decline of 8 to 309p, while **Grand Metropolitan** lost the same amount at 330p. **Allied Lyons** dropped a few pence to 152p and **Whitbread A** cheapened 2 to 143p. Better on Friday following confirmation that Mr Nazmu Virani is to be appointed managing director and chief executive, **Belhaven** slipped back 3 to 34p. Elsewhere, **Distillers** came on offer at 255p, down 5.

The Building sector had its quietest day for some time, but sellers did appear late and most quotations finished lower on balance. **Tarmac** were vulnerable and closed 10 down at 436p, but other falls were restricted to a few pence. On the bid front, **London Brick** eased 2 to 153p; Hanson Trust's 145p per share offer has so far received minimal acceptances and has been extended to February 17. Recently-firm **Bryant Holdings** encountered profit-taking and shed 4 to 61p, but **George Wimpey** added 3 to 140p on news of its latest property disposals, including the sale of half of its 10.26 per cent stake in Oldham Estate to the Co-operative Insurance Society. Timber issues were inclined to resist the trend, **Meyer International** hardening a penny to 157p and **Phoenix** rising 6 to 118p.

G. B. Castle jump

The Wall Street tone was mirrored by **ICI** which ended 8 down at the day's lowest of 592p. Other Chemicals drifted back with **Laporte** losing 6 to 378p and **Allied Colloids** easing 5 to 310p.

Stores were notable for a sudden speculative flurry in Unlisted Security **G. B. Castle**, which closed 15 to the good at 93p. Elsewhere, **James Walker** moved up 4 to 144p and the **non-voting** 2 to 116p awaiting further news of the **H. Samuel** bid discussions. Among other jewellery concerns, **Ernest Jones** attracted renewed support and gained 4 to 96p, after 98p, while **Asprey** put on 25 to 775p. Press comment ahead of today's preliminary results helped **Vantona** rise 5 to 209p, after 211p, but **Waring and Gillow**, with half-yearly figures scheduled for tomorrow, softened 2 to 108p. Among the quietly dull leaders, **House of Fraser** drifted 4 lower to 274p and **Marks and Spencer** eased 3 to 223p. In Shoes, **FII** added 4 at 220p but **Strong and Fisher** declined 7 to 208p.

Falls in the Electrical leaders stretched to 8 and occasionally more. Elsewhere, **Cable and Wireless** dipped 13 to 315p following the bid for the outstanding shares in Hong Kong Telephone at HK$46 per share. **Immediate Business Systems** were also a poor market at 83p, down 12, on the heavier interim loss, while **Scan Data** came back 5 to 95p on the share exchange offer from Auditronic. Other dull spots included **Eurotherm**, down 10 at 235p, and **Sound Diffusion**, 7 cheaper at 138p. Against the trend, **Unitech** edged up 5 to 271p awaiting today's half-year figures. **Dale Electric**, also due to report half-year results today, hardened 3 to 89p.

Leading Engineers turned distinctly dull, although selling was described as relatively light. **TI** came on offer at 204p, down 10, while U.S.-favourite **Hawker** gave up a similar amount at 406p. Adverse weekend Press mention depressed **Vickers**, which closed 8 cheaper at 131p. **Wyndham Engineering** featured late with a rise of 6 to 100p on news of the property acquisition, while speculative demand left **Wiljay** up 8 at 66p. Newspaper comment directed attention to **Spencer Clark**, 4 to the good at 44p, but **Spear and Jackson**, a recent speculative favourite, eased 6 to 142p. Profit-taking left **RHP** a couple of pence cheaper at 47p.

Leading Foods ran into scattered selling and **Cadbury Schweppes** lost 4 to 120p, while **Rowntree Mackintosh** slipped 6 to 238p. **Tate and Lyle** eased 5 to 410p, but favourable Press comment helped **S. and W. Berisford** improve 3 to 193p. Elsewhere, **Bassett** came back 7 to 153p; last week, bidders Avana indicated that it might sell its holding of 110,000 Bassett shares. **Portinax** slumped 45 to 180p following another Press article critical of the European newsletter which has persistently recommended the company's shares. Further buying ahead of the preliminary results, due on February 14, lifted **Bio-Isolates** 5 to 115p, after 120p.

Brit. Aerospace down

Prompted by the current trend on Wall Street, leading Miscellaneous Industrials moved lower. **Bowater** dipped 9 to 276p, while falls of around 8 were marked against **BTR**, 425p, and **BOC**, 300p, the last-named awaiting today's quarterly figures. **Glaxo** gave up 13 at 770p. Unsettled by the U.S. satellite problems, **British Aerospace** encountered selling and reacted 10 to 222p. **UKO International**, down 12 at 146p, reflected weekend Press suggestions that Mr Asil Nadir is unlikely to bid for the company. Still on bid hopes, **Rank Organisation** continued firmly at 244p, up 6, but **Powell Duffryn** met fresh profit-taking at 326p, down 8, following recent strength on the Hanson Trust stake. Press mention stimulated occasional demand for **Erskine House**, 5 to the good at 97p, and **D. Macpherson**, 1½ dearer at 50p. **Evode**, a recent speculative favourite, reacted 5 to 134p, while **Chubb** met revived offerings and lost a like amount at 150p. **Stocklake** closed a couple of pence cheaper at 173p following interim figures.

Television issues continued to make headway on advertising revenue optimism and hopes of further enfranchisement moves. **LWT "A"** added 5 more to 233p and **Scottish TV "A"** firmed 4 to 128p. Cable TV concern **SelecTV** put on 4 to 30p on news that BPCC, through its Pergamon Press subsidiary, had increased its stake in the company to 17.56 per cent. **Fairline Boats** added 3 to 47p awaiting news from the annual meeting. By contrast, **Nimslo** shed 8 to 30p following a reaction in the shares in New York.

York Trailer provided the only touch of colour in a drab Motor sector, rising 8 to 34p, after 38p, in response to an investment recommendation.

Leading Properties succumbed to scattered selling. **Land Securities** and **MEPC** shed 5 apiece to the common price of 260p, while **Great Portland Estates** eased a couple of pence to 144p. News that the Kuwait Investment Office had increased its stake in the group to 8.34 per cent failed to excite **Stock Conversion**, which softened 2 to 310p, but **Estates Property Investment** responded to the news that Clabir International had raised its holding in the company to 16.16 per cent by firming 3 to 151p.

Against the trend in Shippings, **Walter Runciman** gained 7 to 94p following revived speculative support. Elsewhere, **P & O Deferred** retreated 4 to 285p as did **Milford Docks** to 47p.

Courtaulds fell away late to close 4 down at the day's lowest of 141p. Elsewhere in Textiles, **Nova (Jersey)**, which recently announced poor interim figures, gave up 3 to 47p, while **Jerome** closed a similar amount lower at 73p.

Popular recently ahead of Thursday's annual results, **Impa** succumbed to profit-taking and fell 6 to 153p. **Bots** declined 4 to 186p; the group announced last week that it was disbanding its direct sales and distribution network in the UK.

Oils lower

Recently-buoyant leading Oils suffered a shake-out, although the reaction was largely technical. Quotations occasionally edged off the worst late as cheap buyers appeared, but **Shell**, which recently announced an offer for its U.S. affiliate Shell Oil, closed 23 down at the day's lowest of 625p. **British Petroleum** finished 13 off at 425p and **Ultramar** 20 lower at 665p. **LASMO** settled 18 down at 315p, after 313p, while **Britoil**, 217p, and **Tricentrol**, 198p, both lost 10. Elsewhere, **Atlantic Resources** remained a highly volatile market; after opening around 40 lower on indications of willing Irish sellers, the shares then rallied to 580p before settling a net 23 down at 560p. **Weeks Petroleum** Bermuda-registered stock fell 42 to 420p on news that Mr Robert Holmes a Court's Bell Group had lifted its stake in the company to 46 per cent; **Weeks Petroleum** Australian-registered gave up 40 at 415p and **Weeks Australia**, controlled by Weeks Petroleum, shed 8 at 127p.

Profit-taking ahead of Thursday's preliminary figures left **Lonrho** 3 cheaper at 128p in Overseas Traders.

Press comment on the proposed restructuring of certain UK plantation companies connected with Harrisons Malaysian Plantations Berhad and Harrisons and Crosfield brought further sharp gains in the companies concerned; **Doranakande** advanced 100 afresh to 300p. **Holyrood** jumped 5 points to £50½, **Malaysia** gained 50 to 260p and **Sungei Bahru** firmed 25 to 230p.

Golds react

Having previously posted gains for eight consecutive trading sessions, South African Golds paused for breath and displayed modest falls in the wake of the easier bullion price.

Early Cape selling set the tone, but dealers reported only minimal London selling and sporadic support from New York later lifted prices off the bottom. Bullion, up $14.75 last week, traded down to around $378 per ounce in reaction to the firmer dollar, but rallied to close only $2.625 off at $381.50 per ounce.

Falls among Heavyweights were generally restricted to around a point, although **President Steyn**, £33, and **St Helena**, £23⅝, eased 1⅝ and 1¼ respectively. Marginals showed **Grootvlei** 31 lower at 949p, and **Blyvoor** 42 down at 940p, while **Venterspost** closed 28 off at 984p. Platinums erased last Friday's gains with **Impala** 20 lower at 915p and **Rustenburg** 15 cheaper at 780p.

The Gold Mines index closed 18.5 lower at 579.2.

London-domiciled Financials mirrored the trend in equities. **RTZ**, at 665p, lost most of Friday's advance of 24 and **Charter** closed 8 down at 235p. **Consolidated Gold Fields** encountered early selling, but steadied later to close 14 lower at 556p; the interim results from its 48-per cent owned associated **GFSA**, ¾ off at £15, are due to be announced today. Elsewhere, **Amgold** eased 1¼ to £79½, while **"Johnnies"** shed a point to £89. **Gencor Investment** bucked the trend, firming a fraction to £11¼ following the interim results.

Australian Golds also reacted to bullion, but closed on a relatively steady note. **Gold Mines of Kalgoorlie** fell 30 to 610p and **North Kalgurli** shed 7 to 74p. Elsewhere, **Peko-Wallsend**, 380p, and **Bougainville**, 165p, eased 6 and 8 respectively, while profit-taking clipped 5 from **Seltrust** at 77p. **Western Mining**, at 285p, were only a penny off following encouraging interim results. **Renison** eased 4 to 246p following details of the issue of shares by placements.

American natural resource giant **Amax** eased ⅛ to £17¼ on the $366.9m fourth-quarter loss.

Activity in Traded Options increased slightly with 3,823 contracts struck, comprising 2,325 calls and 1,498 puts. Last week's daily average amounted to 4,265. Once again, the lion's share of attention was focussed on **Lonrho** which attracted 500 calls and 740 puts, 600 of the latter traded in the May 130's. **Imperial Group** recorded 256 calls and 70 puts ahead of this Thursday's preliminary figures, while **ICI**, due to announce annual figures later this month, attracted 342 calls with the April 650's accounting for 180. The weakness of the underlying securities prompted some noteworthy premium gains among puts. **Lasmo** February 330's rose 10 to 30p, while **BP** April 420's closed a like amount higher at 28p.

Backer Electric

The recommended cash offer by Grosvenor Group to acquire 76.58 per cent of the ordinary capital of Backer Electric, a private company, made on January 4 has become wholly unconditional. It will remain open for acceptance until February 24.

Valid acceptances of the offer have been received in respect of 300,456 Backer ordinary shares (54.8 per cent). Grosvenor has no interest in any other Backer shares.

FINANCIAL TIMES STOCK INDICES

	Feb. 6	Feb. 3	Feb. 2	Feb. 1	Jan. 31	Jan. 30	year ago
Government Secs ...	82.72	83.21	83.05	82.98	83.02	83.08	77.53
Fixed Interest	87.29	87.22	87.17	87.11	87.41	87.47	79.72
Industrial Ord..........	815.5	832.4	824.1	829.2	831.4	832.2	643.0
Gold Mines	570.2	597.7	586.5	570.8	543.8	534.3	673.0
Ord. Div. Yield........	4.43	4.33	4.39	4.37	4.35	4.34	4.77
Earnings, Yld.% (full)	9.34	9.15	9.26	9.23	9.20	9.17	10.21
P/E Ratio (net) (*).....	13.10	13.53	13.21	13.24	13.28	13.32	11.75
Total bargains.........	23,873	28,008	32,813	27,002	28,302	32,010	23,235
Equity turnover £m.	—	301.18	365.73	348.79	311.30	340.24	205.22
Equity bargains	—	30,383	31,806	22,709	23,339	28,604	23,092
Shares traded (ml)...	—	158.1	166.5	157.5	174.2	300.5	142.2

10 am 828.1. 11 am 827.3. Noon 826.2. 1 pm 825.3. 2 pm 824.3. 3 pm 823.0.

Basis 100 Govt. Secs. 2/1/58. Fixed Int. 1928. Industrial 1/7/35. Gold Mines 12/1/58. SE Activity 1974.

Latest Index 01-246 8026.

*Nil=12.29.

HIGHS AND LOWS / S.E. ACTIVITY

—	1983/84 High	1983/84 Low	Since Compilat'n High	Since Compilat'n Low
Govt. Secs.	83.77 (9/1/84)	77.00 (24/1/83)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	87.47 (30/1/84)	79.03 (1/2/83)	150.4 (28/11/47)	50.53 (31/1/75)
Ind. Ord.	840.5 (25/1/84)	598.4 (12/1/83)	840.5 (25/1/84)	49.4 (26/6/40)
Gold Mines	734.7 (15/2/83)	444.3 (1/11/83)	734.7 (15/2/83)	43.5 (26/10/71)

	Feb. 3	Feb. 2
—Daily		
Gilt Edged Bargains ...	158.2	158.3
Equities Bargains ...	136.0	141.5
Value ...	608.8	735.2
5-day Average		
Gilt Edged Bargains ...	158.9	156.3
Equities Bargains ...	158.3	152.8
Value ...	673.5	713.5

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

	EQUITY GROUPS & SUB-SECTIONS (Figures in parentheses show number of stocks per section)	Mon Feb 6 1984 Index No.	Day's Change %	Est. Earnings Yield % (Max.)	Gross Div. Yield % (ACT at 30%)	Est. P/E Ratio (Net)	Fri Feb 3 Index No.	Thurs Feb 2 Index No.	Wed Feb 1 Index No.	Tues Jan 31 Index No.	Year ago (approx) Index No.
1	CAPITAL GOODS (205)	[illegible]	−1.7	8.69	3.64	14.90	497.19	491.83	489.92	489.76	434.61
2	Building Materials (25)	[illegible]	−0.9	10.82	4.51	11.50	477.80	476.02	477.03	476.94	425.83
3	Contracting, Construction (32)	[illegible]	−0.4	12.77	4.81	9.78	745.63	742.35	738.65	735.98	768.24
4	Electricals (15)	[illegible]	−1.8	7.15	3.95	17.00	1743.51	1744.22	1771.15	1739.52	1603.13
5	Electronics (24)	[illegible]	−2.8	8.51	2.23	15.42	1704.84	1671.49	1651.95	1652.36	485.98
6	Mechanical Engineering (64)	[illegible]	−1.5	10.04	4.84	12.31	237.82	236.43	236.64	236.54	206.03
8	Metals and Metal Forming (9)	[illegible]	−1.2	8.39	5.97	15.55	198.77	196.65	197.40	198.99	164.29
9	Motors (17)	136.77	+0.1	1.38	3.96	—	136.66	135.37	136.63	136.45	85.50
10	Other Industrial Materials (19)	[illegible]	−1.2	4.99	3.54	27.22	635.61	626.09	623.85	625.18	405.37
21	CONSUMER GROUP (196)	[illegible]	−1.3	10.10	4.21	12.12	406.83	403.98	406.98	407.89	418.85
22	Brewers and Distillers (23)	460.78	−1.8	12.57	5.22	9.96	469.22	466.29	471.31	476.36	408.21
25	Food Manufacturing (22)	386.21	−1.2	12.44	5.32	9.37	391.00	391.04	393.99	393.66	342.63
26	Food Retailing (12)	1086.63	−0.8	7.64	2.69	16.09	1094.80	1086.57	1098.41	1101.26	848.79
27	Health and Household Products (9)	747.74	−1.1	6.30	2.94	18.65	756.43	746.29	746.85	746.90	716.64
29	Leisure (23)	699.51	−1.3	8.65	4.42	14.89	647.69	643.52	647.30	644.22	498.77
32	Newspapers, Publishing (15)	1220.28	+0.2	7.74	3.87	15.41	1217.97	1217.75	1217.29	1213.54	711.68
33	Packaging and Paper (15)	241.42	−1.3	10.20	4.14	12.12	244.68	242.30	241.42	242.28	162.10
34	Stores (47)	431.99	−1.0	7.96	3.60	17.06	435.68	433.34	434.56	435.29	364.48
35	Textiles (19)	278.37	−1.3	10.92	4.24	10.61	282.18	281.34	284.78	279.28	190.00
36	Tobaccos (3)	542.87	−2.5	18.34	5.90	6.10	555.72	554.98	560.71	566.68	510.56
39	Other Consumer (8)	470.77	−0.9	10.80	5.60	—	475.08	476.42	482.61	481.43	364.26
41	OTHER GROUPS (83)	432.72	−1.4	7.74	4.13	16.34	438.97	436.10	439.93	442.04	312.62
42	Chemicals (16)	609.50	−1.5	7.27	4.19	18.25	618.57	612.70	625.72	628.08	412.32
44	Office Equipment (5)	135.33	+0.4	6.44	5.48	21.42	134.81	134.00	134.75	135.30	99.24
45	Shipping and Transport (14)	860.32	−1.1	7.38	4.72	18.32	870.04	871.00	870.36	878.66	546.86
46	Miscellaneous (48)	563.51	−1.6	8.39	3.88	14.27	572.91	566.34	569.69	571.67	443.20
49	INDUSTRIAL GROUP (494)	481.60	−1.5	9.27	4.01	13.49	488.16	484.30	486.07	486.89	410.78
51	Oils (16)	1017.10	−3.3	10.97	5.82	11.00	1051.44	1044.97	1064.85	1067.74	784.83
59	500 SHARE INDEX	525.98	−1.8	9.55	4.31	13.02	535.38	531.30	534.62	535.61	435.05
61	FINANCIAL GROUP (121)	383.81	−1.0	—	5.10	—	387.64	385.44	391.20	392.23	296.93
62	Banks (6)	392.66	−1.5	21.87	6.53	4.96	398.81	399.88	414.33	415.28	309.50
63	Discount Houses (8)	411.96	+0.1	—	6.84	—	411.75	410.31	414.82	420.70	289.25
65	Insurance (Life) (9)	552.69	−0.9	—	4.87	—	557.44	544.06	545.36	543.28	368.20
66	Insurance (Composite) (9)	258.37	−0.6	—	6.42	—	259.80	258.29	260.72	259.75	199.32
67	Insurance Brokers (6)	662.41	−1.6	10.33	4.35	13.34	673.12	660.34	664.82	665.24	564.48
68	Merchant Banks (12)	248.25	−0.6	—	3.90	—	244.67	244.15	248.28	251.18	169.72
69	Property (53)	536.32	−0.9	5.59	3.71	23.96	541.11	541.13	543.48	550.31	446.72
70	Other Financial (18)	275.21	−1.0	10.89	4.99	11.87	277.86	276.85	282.12	280.81	223.74
71	Investment Trusts (107)	510.86	−0.2	—	3.50	—	511.14	509.67	510.87	510.98	400.11
81	Mining Finance (4)	312.40	−2.9	8.44	4.67	14.55	321.80	314.08	315.22	312.99	268.59
91	Overseas Traders (15)	556.81	−1.2	6.87	6.72	20.77	563.83	565.01	567.13	568.48	441.01
99	ALL-SHARE INDEX (747)	492.68	−1.6	—	4.43	—	500.48	496.83	500.51	501.36	401.89

FIXED INTEREST

	PRICE INDICES	Mon Feb 6	Day's change %	Fri Feb 3	xd adj. today	xd adj. 1984 to date
	British Government					
1	5 years	118.18	−0.18	118.40	—	1.17
2	5-15 years	130.91	−0.56	131.64	—	1.49
3	Over 15 years	141.88	−0.04	142.28	—	0.19
4	Irredeemables	152.39	−0.71	153.49	—	0.00
5	All Stocks	129.80	−0.50	130.50	—	1.10
6	Debentures and Loans	108.81	+0.00	108.81	—	0.20
7	Preference	82.45	+0.21	82.27	—	0.31

	AVERAGE GROSS REDEMPTION YIELDS		Mon Feb 6	Fri Feb 3	Year ago (approx)
	British Government				
1	Low Coupons	5 years	9.75	9.69	9.22
2		15 years	10.19	10.06	10.89
3		25 years	9.79	9.67	11.05
4	Medium Coupons	5 years	11.08	10.98	11.74
5		15 years	10.75	10.64	11.92
6		25 years	10.12	10.02	11.51
7	High Coupons	5 years	11.17	11.07	11.90
8		15 years	10.90	10.80	12.10
9		25 years	10.21	10.09	11.68
10	Irredeemables†		9.72	9.65	11.02
11	Debs & Loans	5 years	11.53	11.53	12.81
12		15 years	11.53	11.53	12.81
13		25 years	11.53	11.53	12.82
14	Preference†		12.04	12.07	13.12

†Flat yield. Highs and lows record, base dates, values and constituent changes are published in Saturday issues. A new list of constituents is available from the Publishers, The Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 15p, by post 28p.

EUROPEAN OPTIONS EXCHANGE

Series		Feb. Vol.	Feb. Last	May Vol.	May Last	Aug. Vol.	Aug. Last	Stock
GOLD C	$375	138	8.10	8	[illegible]	[illegible]	[illegible]	$381.50
GOLD C	$400	42	1.30	160	[illegible]	[illegible]	[illegible]	
GOLD C	$425	10	0.40	38	[illegible]	[illegible]	[illegible]	
GOLD C	$450	—	—	35	2.5[illegible]	[illegible]	[illegible]	
GOLD P	$360	—	—	13	[illegible]	[illegible]	[illegible]	
GOLD P	$375	60	3	20	7.5[illegible]	[illegible]	[illegible]	
GOLD P	$400	—	—	17	[illegible]	[illegible]	[illegible]	
		March		June		Sept.		
SILVER C	$8	2	0.65	12	1.3[illegible]	[illegible]	[illegible]	$8.72
SILVER C	$9	4	0.30	11	0.[illegible]	[illegible]	[illegible]	
[illegible]								

TOTAL VOLUME IN CONTRACTS: 28,912

A=Ask B=Bid C=Call P=Put

RECENT ISSUES

EQUITIES

Issue price p	Amount paid up	Latest Renunc. date	1983/84 High	1983/84 Low	Stock	Closing price p	+ or −	Net Div.	Times Covered	Gross Yield	P.E. Ratio
§58	F.P.	9/3	80	73	✠Assoc.Energy Ser.5p	73	−2	b1.0	3.2	2.0	15.0
¶435	F.P.	10/2	458	393	Brit. Petroleum	422	−17	20.23	1.0	6.8	11.9
¶273	100	9/3	143	96	Cable & Wireless 50p	138	−5	h3.47	3.3	3.7	6.0
‖	F.P.	—	95	88	✠Circaprint Hldgs 10p	90	.....	u0.7	7.7	1.1	12.6
‖	F.P.	—	255	213	✠Gibbs Mew	215	.....	4.53	1.6	3.1	29.1
§91	F.P.	24/2	98	94	✠GrosvenorSq.Pp.10p	97	.....	b5.0	2.3	7.4	7.2
§183	F.P.	25/1	240	215	✠Moray F. Malt'gs 50p	227	.....	b7.0	2.7	4.4	0.5
‡	F.P.	—	74	60	Stocklay 10p	70	−1	—	—	—	—
100	F.P.	27/1	93	83	✠Synterials 10p	88	.....	—	—	—	—
§105	F.P.	—	114	111	✠Unibond	111	−1	b2.8	2.2	3.5	17.8
¶130	F.P.	17/2	177	151	V O Instruments 10p	173	+3	o14	3.5	1.2	32.2
§110	F.P.	2/3	166	140	✠Volin Pollon Int'l. 3p	153	.....	1.6	3.1	1.3	31.5
§10	F.P.	31/1	10	18	✠Wolpac 10p	18	.....	bg0.8	4.1	1.3	19.4

FIXED INTEREST STOCKS

Issue price £	Amount paid up	Latest Renunc. date	1983/84 High	1983/84 Low	Stock	Closing price £	+ or −
‡	F.P.	—	133	120	Allied Textile 10% Cnv. Uns. Ln. 1993	128	−2
‡	F.P.	—	106	106	Atlanta Inv.Tst. 7% Cnv. Red. Cum. Prf.	100	.....
‡	F.P.	—	102¼	101	BAT Inds. 12¼% Uns. Ln. 2003/08	101½	−½
‡	F.P.	—	89¾	081½	Do. Fltg. Rate Cap. Nts. 1986/00	88¾	.....
99.13	£25	28/3	27	24¾	Elf (U.K.) 12¼% Uns. Ln. '01	26½	−⅛
88.714	£30	26/4	33⅜	30	Int. Bk. for Rec. & Dev. 11.5% Ln. 2003	33⅛	−⅛
100	F.P.	—	100½	99	Kensington & Chelsea 11.15% Red. 2006	100¼	.....
‖	£30	10/11	48	30½	Lon. Shop Prop. 9pc Cnv. 94/00 Ser II.	44	.....
§25.711	£25	15/6	25¼	24½	MEPC 10¾pc 1st. Mort. Deb. 2024	24¾	−⅛
—	F.P.	—	100⅛	100	Nationwide 10¼% Bds. 28/1/85	100⅛	.....
‡	F.P.	—	30p	28½p	Palma Group 3½%Cum. Prf. £1	30p	.....
99.44	£25	13/4	27¾	25½	Queens Moat 12% 1st Mort. Deb. 2013	27⅛	.....
100	F.P.	—	90¾	88⅞	Rochdale Met. Bor. 11.10% Red. 2005	90½xd	−⅛
‡	F.P.	30/3	102½	101¾	Slough Ests. 12⅛% Uns. Ln. 2009	101¾	−½
80.893	£30	21/3	32½	22¾	Spain 12% Ln. 1088	32½	+⅛

"RIGHTS" OFFERS

Issue price p	Amount paid up	Latest Renunc. date	1983/84 High	1983/84 Low	Stock	Closing price p	+ or −
300	Nil	17/8	436	400	Carlton Communications 5p	430	+5
82	F.P.	10/2	158	113	Charterhouse Pet.	145	−1
R28.20	Nil	17/2	408	160	East Daggo Linked Units	362	−36
160	F.P.	3/2	208	193	Ellis & Everard	204	.....
32	F.P.	24/3	47	33	Herman Smith 10p	43	.....
32	F.P.	3/2	39	34½	Jones (Edward) 10p	39	+2
30	F.P.	8/3	58	48	Meggitt 5p	50	−1

Renunciation date usually last day for dealing free of stamp duty. b Figures based on prospectus estimates. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. g Assumed dividend and yield. u Forecast dividend cover based on previous year's earnings. F Dividend and yield based on prospectus or other official estimates for 1984. H Dividend and yield based on prospectus or other official estimates for 1983-84. Q Gross. p Pence unless otherwise indicated. ¶ Issued by tender. ‖ Offered to holders of ordinary shares as a "rights." ** Issued by way of capitalisation. §§ Reintroduced. ¶¶ Issued in connection with reorganisation merger or take-over. ▮ Allotment letters (or fully-paid). ‖‖ Introduction. ✠ Unlisted Securities Market. § Placing price.

NEW HIGHS AND LOWS FOR 1983/84

NEW HIGHS (100)

AMERICANS (1)
BUILDINGS (1)
DRAPERY & STORES (10)
ELECTRICALS (3)
ENGINEERING (8)
HOTELS (1)
INDUSTRIALS (28)
INSURANCE (2)
LEISURE (3)
MOTORS (4)
PAPER (4)
PROPERTY (3)
SHOES (1)
TRUSTS (25)
OIL & GAS (3)
OVERSEAS TRADERS (2)
MINES (1)

NEW LOWS (8)

BREWERS (1)
Marston Thompson
BUILDINGS (2)
Crouch Group, Wiggins Group
ELECTRICALS (1)
Immed Bus Systs
FOODS (1)
Park Food
LEISURE (1)
Riley Leisure
MOTORS (1)
Aerospace Eng
SHIPPING (1)
Lyle Shipping

OPTIONS

First Dealings	Last Dealings	Last Declaration	For Settlement
Feb 6	Feb 17	May 10	May 21
Feb 20	Mar 2	May 31	June 11
Mar 5	Mar 16	June 14	June 25

For rate indications see end of Share Information Service

Active conditions prevailed among Options with calls struck in Grovebell, Ladbroke, Bryant, Atlantic Resources, Kia-Ora, Blackhill Gold, Brunswick Oil, Bristol Oil and Minerals, Fitzwilton, ICL, Charterhall, Premier Oil, Aran Energy, E. Jones, UKO, Bula, W.E. Norton, Meggitt, Stylo, Stakis, Barrie Investment and Finance, Brengreen, Bluebird Confectionery, L Texas, Phoenix Assurance, London and Liverpool, Britoil, Harvey and Thompson, Hawley, Fleet, Amstrad, Bremar Trust, Automotive Products, Acrow A, Lonrho and Australian Consolidated Minerals. A put was done in ICI, while doubles were transacted in Atlantic Resources, Amalgamated Estates, Bula and Scottish and Newcastle.

FRIDAY'S ACTIVE STOCKS

Based on bargains recorded in Stock Exchange Official List.

Stock	No. of changes	Fri. close	Day's change
Prudential Corp	26	520	+20
RTZ	21	687	+24
Cable Wirlss N	17	143	+ 2
Walker (J) NV	13	114	+19
AB Electronics	13	480	− 5
BTR	13	431	+10
Belgrv (2'hath)	13	155	− 9
Shell Transport	12	648	+ 3
BAT Inds	11	190	− 1
Bowater	11	285	+ 7
BP	11	438	+ 3
Britoil	11	227	+ 2
Glaxo	11	783	+15
Minster Assets	11	140	+ 8

ACTIVE STOCKS

Above average activity was noted in the following stocks yesterday.

Stock	Closing price	Day's change
Atlantic Resources	560	−23
Bowater	276	− 9
BP	425	−13
Cable & Wireless	315	−13
Grand Met.	330	− 8
ICI	592	− 8
Lasmo	313	−18
London Brick	153	− 2
RTZ	665	−22
Shell Transport	625	−23
UKO Int	146	−12
Ultramar	665	−20

RISES AND FALLS YESTERDAY

	Rises	Falls	Same
British Funds	1	86	15
Corpns. Dom. and Foreign Bonds	—	10	69
Industrials	225	458	729
Fin. and Props.	68	162	292
Oils	13	53	53
Plantations	1	2	12
Mines	13	109	49
Others	29	93	47
Totals	352	977	1,266

LONDON TRADED OPTIONS

Option		Calls Apr.	Calls July	Calls Oct.	Puts Apr.	Puts July	Puts Oct.
B.P. (*486)	380	40	48	—	7	[illegible]	[illegible]
	420	22	30	38	28	[illegible]	[illegible]
	460	8	10	20	55	[illegible]	[illegible]
Cons. Gold (*557)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Courtaulds (*142)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Com. Union (*186)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
C.E.C. (*186)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Grand Met. (*331)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
I.C.I. (*592)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Land Secur. (*264)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Marks & Sp. (*223)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Shell Trans. (*626)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Option		Calls Feb.	Calls May	Calls Aug.	Puts Feb.	Puts May	Puts Aug.
Barclays (*517)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Imperial Gp. (*128)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
LASMO (*315)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Lonrho (*128)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
P. & O. (*270)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Racal (*198)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
R.T.Z. (*667)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Vaal Reefs (*$115)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Option		Calls Mar.	Calls June	Calls Sep.	Puts Mar.	Puts June	Puts Sep.
Beecham (*313)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Boots (*311)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
De Beers (*$858)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Guest Keen (*201)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Hanson (*172)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Tesco (*174)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Feb. 6. Total Contracts, 3,823 Calls 2,325, Puts 1,498.
* Underlying security price.

FT LONDON SHARE INFORMATION SERVICE

BRITISH FUNDS

"Shorts" (Lives up to Five Years)

[illegible]

Five to Fifteen Years

[illegible]

Over Fifteen Years

[illegible]

Undated

[illegible]

Index-Linked

[illegible]

INT. BANK AND O'SEAS GOVT. STERLING ISSUES

[illegible]

CORPORATION LOANS

[illegible]

COMMONWEALTH AND AFRICAN LOANS

[illegible]

LOANS

Building Societies

[illegible]

Public Board and Ind.

[illegible]

Financial

[illegible]

FOREIGN BONDS & RAILS

[illegible]

AMERICANS

1983-84 High	Low	Stock	Price £	+ or −	Div. Gross	C'vr	Y'ld Gr's
35⅝	22¼	Abbott Labs.	32	−⅛	$1.00	—	2.2
34¼	17⅞	Alcoa $1	22⅞xd	−1	$1.20	—	2.5
19½	13⅞	Amax $1	17¼	−⅛	20c	—	0.2
18⅝	875p	Amdahl	12⅝	−¼	20c	—	1.2
32⅝	30⅛	Amer. Express $0.60	[illegible]	−1	$1.28	—	4.4
23⅝	14⅝	Amer. Medical Intl $1	17⅝	+⅛	42c	—	1.9
34⅛	20⅝	Amer. Nat. Res. $1	32⅞	−⅛	$3.16	—	6.8
47⅝	36⅛	American T. & T. Co	45	−⅛	$5.40	—	8.3
21½	14	Amdac Inc	[illegible]	.....	$1.44	—	5.0
16⅝	12	Bank America Crpn.	15⅞	−⅛	$1.52	—	6.7
35½	22⅝	Bankers N.Y. $10	34¼	.....	$2.25	—	4.5
[illegible]	[illegible]	Beth Steel $8	12⅝	+⅛	60c	—	2.3
31½	21½	Brown'g Fer. c16⅔	26⅝	−⅛	96c	—	2.5
23½	10⅝	Brunswick Corpn.	13⅞xd	−¼	60c	—	2.3
29	27⅛	C.P.C. 25c	27⅝xd	.....	$2.20	—	3.7
44⅞	28⅛	Campbell Soup	43⅝	−⅛	$2.30	—	3.7
35¼	28½	Caterpillar	33⅝	−⅛	$1.50	—	3.2
37⅛	25	Chase M'htn. $12.5	36⅝	−½	$3.50	—	6.8
36½	23¼	Chemical N.Y. Crpn	35	+⅛	$3.24	—	6.5
29⅛	24⅝	Chesebrough $1	27	+⅛	$1.84	—	4.9
22¼	11	Chrysler $6¼	[illegible]	−2½	60c	—	2.0
[illegible]	20¼	Citicorp $4	[illegible]	−⅛	$1.88	—	4.9
29⅝	17	City Inv. $1.25	[illegible]	−⅛	$1.00	—	5.1
16⅝	11⅞	Colgate-P. $1	15⅛xd	+¼	$1.28	—	5.9
40	19⅛	Colt Inds. $1	35⅞	−⅛	$2.20	—	4.4
27⅝	12½	Cons. Foods $1⅓	19⅝	−⅛	$1.16	—	6.0
16⅝	12	Cont. Illinois $5	14⅝	−⅛	$2.00	—	9.7
27	17⅛	Crown Zell. $5	22⅞	−⅛	$1.00	—	3.1
887p	430p	Damson Oil US$0.4	624p	+2	—	—	—

[illegible]

CANADIANS

[illegible]

BANKS, H.P. AND LEASING

[illegible]

Hire Purchase, Leasing, etc.

[illegible]

BEERS, WINES AND SPIRITS

[illegible]

BUILDING INDUSTRY, TIMBER AND ROADS

[illegible]

CHEMICALS, PLASTICS

[illegible]

DRAPERY AND STORES

[illegible]

DRAPERY—Continued

[illegible]

ELECTRICALS

[illegible]

ENGINEERING

[illegible]

ENGINEERING—Continued

[illegible]

FOOD, GROCERIES, ETC.

[illegible]

HOTELS AND CATERERS

[illegible]

HOTELS—Continued

[illegible]

INDUSTRIALS (Miscel.)

[illegible]

INDUSTRIALS—Continued

1983-84 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
52	32½	MCD Group	52	.....	u1.0	2.2	2.7	23.7
		for MMT Computing see Electricals						
29	16	M.Y. Dart. 10p	26½	.....	20.25	—	1.3	—
212	134	McC'rthy Ph. 20p	152	.....	7.0	[illegible]	6.7	6.6
148	128	Macfarlane Gp.	144	+1	†3.52	[illegible]	3.5	17.6
46	51	Maclellan 20p	37	.....	d1.5	[illegible]	5.8	13.3
63	31	Macpherson (D.)	50	+1½	4.2	[illegible]	12.0	(9.5)
56	41	Magnolia Group	55	.....	2.3	[illegible]	6.0	6.5
72	59	[illegible] Bldg. 10p	59	.....	—	—	—	63.0
182	65	Man. Ship Can. £1	177	.....	3.5	[illegible]	2.9	5.4
86	48	Marley	86	.....	†2.5	[illegible]	4.2	(8.3)
49½	30½	Marling Ind. 10p	49½	+1½	†1.08	1.7	3.1	(22.3)
34	25	Marshall L'xy. 'A'	32	.....	†1.2	—	‡	—
78	44	Marshall's Univ	56	−2	8—	—	—	18.5
32½	23	Martin-Black	29	.....	—	—	—	—
£130	£83	Matheson 7¾%	£106	.....	07¾%	2.3	17.3	—
352	254	Metal Box £1	338	−2	†11.55	3.2	4.9	(8.3)
168	104	Metal Closures	161	−2	5.7	1.8	5.1	(9.5)
36½	14	Metal Sciences 2½p	26	.....	—	—	—	—
19	6	Metamec Jentique	15½	.....	0.01	—	0.1	—
147	70	Midland Marts.	110	.....	4.0	2.1	5.2	13.2
56	21	Moben Grp 1p	22	−1	†0.19	15.4	1.2	5.5
£271	£150	M'santo 5pc 82-6	£212	−5	Q5%	—	†2.4	—
147	76	Morgan Crucible	145	.....	†7.5	0.6	7.4	(8.2)
90	54	Moss (Robt.) 10p	84	.....	†2.0	2.4	3.4	15.5
245	155	MMW Computers	222	−2	4.0	4.0	2.5	14.1
67	42½	Nash Inds.	60	.....	4.0	2.2	9.5	6.9
38	22	Neil&Sp'ncer 10p	36	−1	—	—	—	—
64	48	New Equip 10p	48	.....	1.15	6.8	3.4	6.1
75	20	Nolton	58	−2	1.0	2.9	2.5	20.4
175	117	Norcros	163	−2	b7.0	2.3	6.2	9.7
89	46	Nu-Swift 5p	65#	.....	2.14	1.5	4.7	20.9
140	90½	Oakwood Grp.	95xd	.....	d6.5	—	9.8	—
325	183	Office & Elect.	183	.....	7.5	2.8	5.9	8.5
950	712	Oxfame Intl SA	750	.....	†050c	2.2	4.7	9.7
40	13½	Overstone 12½c	37	−2	†03½c	2.8	5.6	6.6
£146	£93½	Ozalid Fin. Cv.	£140	−2	Q9%	—	16.5	—

INSURANCE

LEISURE

LEISURE—Continued

1983-84 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
235	139	LWT "A"	233	+5	11.08	1.8	6.8	10.3
*147	43	Leisuretime Int 10p	45	+2	g1.54	♦	5.7	♦
48	37	MME Fashions 10p	45xd	−1	b1.4	1.4	4.4	(16.9)
112	97	Mngmt. Ag. M. 10p	115	.....	0.75	1.6	10.9	8.5
115	52	Medminster 10p	80	.....	4.4	1.7	7.9	10.4
170	110	Miss World 10p	143	.....	b3.0	2.5	2.8	20.8
24½	17½	Nationwide 5p	24½	.....	—	—	—	—
128	17	Nimslo IM 20c	30	−8	—	—	—	—
128	45½	Norton Opax. 10p	118xd	.....	†2.17	4.3	2.6	8.5
30	22½	Owners Abroad	28¼	.....	0.5	4.5	2.5	12.7
50	35	Photax (Lon.)	50	.....	—	—	—	—
*147	84	[illegible] 10p	137	+5	d1.5	4.6	1.8	14.8
363	217½	Pleasurama 5p	342	−3	6.5	♦	2.8	♦
173	108	Radio City 'A' NV	133	−2	5.6	1.9	6.0	12.9
209	122	Riley Leisure 10p	122	−6	†3.95	1.7	4.6	17.0
132	83	Saga Hols. 20p	115	.....	d3.73	—	4.6	—
515	290	Samuelson Grp £1	340	.....	12.0	♦	5.2	♦
128	94	Scott. TV 'A' 10p	128	+4	7.35	2.2	8.2	7.8
68	26	SelecTV 10p	30	+4	—	—	—	—
28	15½	TSW 5p	27½	.....	1.2	2.2	6.2	10.6
110	30	TVS N/Vtg 10p	110	.....	2.0	♦	—	♦
29	19	Telefusion Serv 10p	27	+½	b0.2	3.7	1.1	41.5
100	76	Tottenham Hotspur	90	.....	b4.0	1.9	6.4	(5.8)
142	64	Trid'nt TV 'A' 10p	132	+1	5.5	1.8	6.1	12.6
180	105	21st Century Dhd	105	.....	—	—	—	—
157	135	Tyne Tees TV 'A' £1	157	+2	8.25	2.4	7.5	8.1
25½	14	Webb (Jos.) 5p	21½	−2	d0.51	0.5	3.4	—
92	75	Zetters 5p	90	.....	†3.1	3.0	5.0	9.5

MOTORS, AIRCRAFT TRADES

Motors and Cycles

1983-84 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
81	18	B.L. 50p	69	.....	—	—	—	—
*68	43	[illegible] 10p	53	.....	†1.0	3.7	2.7	8.6
255	188	Gen. Mts. Units	255	.....	Q12c	—	3.3	—

Commercial Vehicles

Components

Garages and Distributors

NEWSPAPERS, PUBLISHERS

PAPER, PRINTING, ADVERTISING

PROPERTY

PROPERTY—Continued

SHIPPING

SHOES AND LEATHER

SOUTH AFRICANS

TEXTILES

TOBACCOS

TRUSTS, FINANCE, LAND

Investment Trusts

INVESTMENT TRUSTS—Cont.

Finance, Land, etc.

OIL AND GAS

OIL AND GAS—Continued

OVERSEAS TRADERS

PLANTATIONS

Rubbers, Palm Oil

Teas

MINES

Central Rand

Eastern Rand

Far West Rand

O.F.S.

Finance

Diamond and Platinum

Central African

MINES—continued

Australians

1983-84 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
28½	13½	ACM 20c	18	−1	—	—	—
52	30	Allstate Expl. NL	32	.....	—	—	—
10½	3¾	Asia Oil & Mins.	4¾	.....	—	—	—
40	9	Australis Mng. NL	26	−½	—	—	—
31	11	Balmoral Res.	30	−3	—	—	—
60	29	Black Hill Mins.	34	−2	—	—	—
104	51	Bond Corp	100	+1	Q10c	0.7	6.8
183	116	Bougainville 1 Kina	265	−8	mQ3.22	1.2	1.2
396	204	CRA $2	378	.....	tQ3c	—	0.5
145	60	Carr Boyd 20c	81	−5	—	—	—
44	25	Central Kalgoorlie	39	−1	—	—	—
45	18	Central Pacific	22½	+½	—	—	—
9	2¾	Cons. Gold Mng Areas	6	−¼	—	—	—
17	5	Coopers Res N.L.	7½	−1	—	—	—
255	183	Crusader Oil	205	.....	—	—	—
28½	8	Cultus Pac NL	13	−2½	—	—	—
19	7	Eagle Corp 10c	11½	+½	—	—	—
215	96	Emperor Mines	215	.....	—	—	—
16½	8	Endeavour 20c	15½	.....	—	—	—
58	17	Enterprise Gld Mines	51	.....	—	—	—
810	500	GM Kalgoorlie 25c	610	−30	nQ10c	♦	2.1
24½	6	Gt. Eastern Mines	22	−2	—	—	—
12	9	Great Victoria Gold	31	−1	—	—	—
32	15½	Haoma NW	21½	+½	—	—	—
92	26	HM Minerals N.L.	35	−5	—	—	—
41	13	Intnl Mining	18	.....	—	—	—

Tins

Miscellaneous

NOTES

REGIONAL AND IRISH STOCKS

OPTIONS

3-month Call Rates

"Recent Issues" and "Rights" Page 29

This service is available to every Company dealt in on Stock Exchanges throughout the United Kingdom for a fee of £700 per annum for each security

AUTHORISED UNIT TRUSTS

FT UNIT TRUST INFORMATION SERVICE

Abbey Unit Tst. Mngrs. (a)
1-3 St Paul's Churchyard EC4P 4DX 01-236 1833

Britannia Gp of Unit Trusts Ltd (a) (c) (g)
Salisbury Hse, 31 Finsbury Circus, London, EC2

Crown Unit Trust Services Ltd.

Govett (John) Unit Mngt. Ltd.

Legal & General (Unit Tst., Mngrs.) Ltd.

Midland Bank Group U.T. Mngrs. Ltd.

Save & Prosper Group
4, Great St. Helens, London EC3P 3EP

Tyndall Managers Ltd.(a)(b)(c)
18, Canynge Road, Bristol

INSURANCES

Insurances—continued

Offshore & Overseas—continued

Taiwan (R.O.C.) Fund
c/o Vickers da Costa Ltd, King William St.
NAVNT $425. 1OR Value US$10,577.40

Target Trust Mngrs (Jersey) Ltd
PO Box 194, St Helier, Jersey. 0534 72958

Man Cur Fd	98.9	104.2	−0.1	—

Tyndall-Guardian Management Ltd
PO Box 1258, Hamilton, Bermuda.

T-G N Amer	$22.18	....	—
T-G Money	$22.19	....	—
T-G Eurobond	$15.64	....	—
T-G Commodity	$21.42	....	—
T-G Mortgage	C$20.60	....	—
T-G Overseas	$12.62	....	—
T-G Pacific	Y2.249	....	—
T-G Wall St	$25.94	....	—
T-G Gold	$9.11	....	—

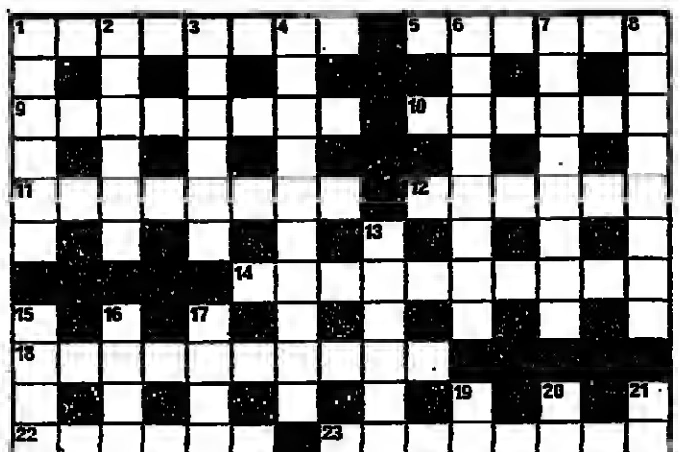
United Fund Managers Ltd
16-16 Queens Road Central, Hong Kong. 5-231417

S&MlyT	$11.44	11.95	....	—
Do Acc$	$129.61	130.27	....	5.91

Money Market Trust Funds

Money Market Bank Accounts

F.T. CROSSWORD PUZZLE No. 5,336



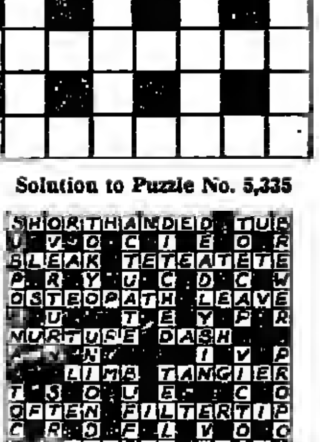
ACROSS

1 Rome has one . . . (8)
5 . . . Paris has two (6)
9 Short clergyman has spoken of God as a ruler (8)
10 Source of advantage for secretive person (6)
11 Being brave, I printed correction (8)
12 Sailors follow style to be fashionable (6)
14 I go to Largs perhaps to see expert on soil (10)
18 America for one displays outstanding strength (5-5)
22 Heard to declaim and put somewhere else (6)
23 Reading a composition in bed ? (8)
24 Subtle difference when Greek character goes to a northern church (6)
25 Fee that's sky-high ? (8)
26 In a smooth way, Bede goes into Cathedral city (6)
27 Three articles scholar finds a curse (8)

DOWN

1 Topless stars at home showing stress (6)
2 Discover senior officer brought in dead (6)
3 Loves these days having hybrid rose (6)
4 Unusual asp—might be found in Warwickshire (10)
6 Bovine idiot a contradiction in terms ? (8)
7 Points to the convulsive motion introduced into the body (8)
8 Inter ? Yes, it makes for peace ! (8)
13 The Parisian enters to share the freedom (10)
15 Is French artist with Dean ? —I go to alienate (8)
16 He's left the party to meet a Post Office condition (8)
17 "For I am nothing if not ——" (Othello) (8)
19 Dexterous Dora maybe has sex appeal (6)
20 For example, composer turning up could infuriate (6)
21 Tom and girl make series of comments on Bible (6)

Solution to Puzzle No. 5,335



هكذا في الأصل

هكذا من الأصل

INSURANCE & OVERSEAS MANAGED FUNDS

Black Horse Life Ass. Co. Ltd.
71, Lombard St., EC3. 01-623 1288

Black Horse Man. Fd.	250.22			—
Managed Inv. Fd.	167.73	176.56		—
Property Fd.	153.12	161.18		—
Fixed Interest Fd.	148.81	156.65		—
Cash Fd.	137.97	145.24		—
Income Fd.	196.83	207.19		—
Extra Income Fd.	188.24	198.15		—
Worldwide Growth Fd.	236.57	249.03		—
Balanced Fd.	195.32	205.60		—
Smlr Co's & Recy. Fd.	222.01	233.70		—
Int. Technology Fd.	270.21	284.44		—
Nth. Amer. & Gen. Fd.	160.43	168.88		—
Energy Int. Fd.	111.98	117.79		—
Pacific Basin Fund	160.26	168.70		—

British National Life Assurance Co. Ltd.
Harlands Rd, Haywards Heath. 0444 414111

Managed	118.4	124.6		—
Property	119.0	125.2		—
Equity	126.7	133.4		—
International	134.6	141.7		—
Fixed Interest	104.2	109.6		—
Deposit	100.9	106.2		—
Managed Pen. Cap.	118.9	125.1		—
Property Pens. Cap.	119.9	126.2		—
Equity Pens. Cap.	122.0	128.4		—
Intnl. Pens. Cap.	140.7	148.1		—
Fixed Int. Pens. Cap.	100.5	105.8		—
Deposit Pens. Cap.	98.1	103.3		—

Canada Life Group
2-6, High St., Potters Bar, Herts. P. Bar 51122

Equity Gth Jan 31	107.1			—
Rent. Fed. Jan. 6	280.3			—
Managed Pen Fund	197.5	201.6		—
Property Pen Fund	117.8	123.6		—
Index Lnkd Pen Fund	112.4	118.3		—
Managed	129.4	136.2	−0.8	—
Property	106.3	111.9		—
Gilt and Fixed Interest	108.3	114.1	−0.8	—
Index-Linked	98.1	103.3		—
Equity	129.0	135.8	−1.0	—
Cash	106.0	111.6	+0.1	—
Midland Bk. Unit Tst.	127.2	133.9	−0.6	—
Midland Bank Intnl.	149.4	157.3	−0.9	—

Cannon Assurance Ltd.
1 Olympic Way, Wembley HA9 0NB. 01-902 8876

G.T. Management Ltd.
16 Finsbury Circus, Lond EC2M 7DJ 01-628 8131

G.T. Plan Bond Fund	126.3	133.0	+0.1	—
GT Pln High Yld Fnd	132.7	139.7		—
GT Plan Far East Fnd	133.2	140.3		—
GT Plan N. Am Fd.	132.9	139.9	−0.1	—
GT Pln UK&G.E. Fnd	151.8	159.8	−0.1	—
GT Pln Wrldwde Fnd	153.7	161.8		—
GT Pension Bnd Fnd	138.7	146.0	+0.1	—
GT Pen High Yld Fd	152.1	160.2		—
GT Pen Far East Fd	165.2	173.9		—
GT Pen N. Am. Fd.	190.4	200.5		—
GT Pen UK & G.E. Fd	175.7	185.0		—
GT Pen Worldwide Fd.	165.9	174.7		—

Prices for Accum. Units only.

Assicurazioni GENERALI S.p.A.
117, Fenchurch St., EC3M 5DY. 01-488 0733

Intl. Managed Bond	172.0	181.1	+1.9	—

General Portfolio Life Ins. C. Ltd.
Crossbrook St., Cheshunt, Herts. Waltham X 31971

Portfolio Fd. Acc.	263.9			—
Portfolio Fd. Int.	215.3			—

See adjacent page Mon-Fri and Stock Exchange Dealings page Sat

Gresham Unit Ass. Ltd.
2-6, Prince of Wales Rd. B'mouth. 0202 767655

Managed Fd.	284.6	299.6		—
Money Fd.	157.3	165.5		—
Equity Fd.	241.9	254.9		—
Fixed Int. Fd.	118.8	125.2		—
Property Fd.	175.4	184.8		—
Managed Pen. Fd.	276.2	291.0		—
Equity Pension Fd.	186.2	196.2		—
Fixed Int. Pen. Fd.	168.1	177.1		—
High Yield Pen. Fd.	165.9	174.8		—
Money Pension Fd.	130.8	137.7		—
Property Pension Fd.	129.3	136.2		—
Gresham/Prominvest				
American & Gen. Fd.	240.4	253.3	−2.8	—
Income Fd.	207.6	218.9	+0.5	—
Int'l. Growth Fd.	272.4	287.0	−2.9	—
Capital Fund	217.2	228.9	+0.3	—
Recovery Fund	164.2	173.0	+0.7	—

Growth & Sec. Life Ass. Soc. Ltd.
48, London Fruit Exchange, E1 6EU 01-377 1122

OFFSHORE AND OVERSEAS

Wardley
4th Floor, Hutchison House, Hong Kong

Wardley Trust	$6.03	6.38		1.18
Wardley Nikko As. Fd.	$27.22	29.16		5.14
Wardley Bond Trust	$10.35	10.90		8.53
Wardley Japan Trust	$30.87	32.67		0.46
Wardley Priv Cap Tst	$9.96	10.53		—

WestAvon Secs (Guernsey) Ltd
PO Box 304, St Peter Port, Guernsey 0481 27963

Gilt & Option Fd.	$1.18	1.23		2.50
US $ Option	$1.05	1.10		—

World Wide Growth Management
10a, Boulevard Royal, Luxembourg

Worldwide Gth Fd	$12.93	+0.05	—

Inv. Adv.: M. & G. Inv. Mngt. Ltd., London.

Wren Commodity Management Ltd.
10, St. George's St., Douglas IoM 0624 25015

Wren Com. Fund	24.0	25.0		—
Chinese Fund	62.8	65.3		—
Precious Metal Fund	126.5	131.7		—
Vanguard Cmdy. Fd.	34.6	35.5		—
Financial Futures Fd.	[illegible]	63.7		—
Wren Intl. Fnd.*	$0.613	0.638		—

NOTES

Prices are in pence unless otherwise indicated and those designated $ with no prefix refer to U.S. dollars. Yields % (shown in last column) allow for all buying expenses. a Offered prices include all expenses. b Today's prices. c Yield based on offer price. d Estimated. g Today's opening price. h Distribution free of UK taxes. p Periodic premium insurance plans. s Single premium insurance. x Offered price includes all expenses except agent's commission. y Offered price includes all expenses if bought through managers. Z Previous day's price. ¶ Guernsey gross. # Suspended. ♦ Yield before Jersey tax. † Ex-subdivision. ‡‡ Only available to charitable bodies. § Yield column shows annualised rate of NAV increase.

COMMODITIES AND AGRICULTURE

Zinc price hit by selling pressure

BY RICHARD MOONEY

THE selling pressure which trimmed zinc prices back from 9½-year highs on the London Metal Exchange last week was resumed yesterday and pushed values sharply lower.

When Friday's rally was not followed through in early dealings, many holders apparently decided to liquidate their positions. The resulting decline was accelerated by disappointment at the announcement of a small rise in LME warehouse stocks when a further substantial decline had been anticipated.

By the close cash zinc was quoted at £698.50 a tonne, down £19.50 on the day and £33 below the recent peak.

The apparent tightness of supplies available for nearby delivery was a major factor in the zinc price upsurge and this caused a reversal in the normal situation of the cash position being at a discount to the three-months position.

At one time last week cash zinc stood at a £14 a tonne premium, but by last night's close the changed mood of the market was illustrated by the fact that the premium had narrowed to £2.25.

An unexpected rise in LME stocks was partly responsible for a decline in copper prices yesterday. The £5 fall to £987.50 a tonne was also influenced by the recent appearance of what dealers described as "overhead resistance" leading up to the £1,020 level for the three-months position.

They said yesterday's fall had been cushioned somewhat by the easier trend in sterling.

LME warehouse stocks of copper rose 1,900 tonnes last week to 427,300 tonnes while zinc stocks were 475 tonnes up at 78,275 tonnes. Rises were also recorded for nickel, by 1,848 tonnes to 31,668 tonnes, and for silver, by 42,000 ounces to 46,416,000 ounces. Tin stocks were 1,115 tonnes down at 38,825 tonnes; lead 275 tonnes down at 170,700 tonnes; and aluminium 5,825 tonnes down at 217,775 tonnes.

U.S. sells wheat on credit

BY NANCY DUNNE IN WASHINGTON

MR JOHN BLOCK, U.S. Agriculture Secretary, made full use of government credit programmes in selling wheat to North Africa on a trip there last week.

In Algeria he followed up an announcement of a blended (subsidised) credit sale of $160m (£112m) for the purchase of about 1m tonnes of U.S. wheat by concluding an agreement on agricultural co-operation, trade and technical assistance.

The pact provides for scientific exchanges between the two nations and promises U.S. assistance to Algeria in four areas: intensive feeding of beef cattle, dairy sector development, compound feed manufacturing and grain distribution and marketing.

In Morocco Mr Block announced a $25m wheat sale under the U.S. PL-480 programme which provides for special credit terms. Last December the U.S. awarded a blended credit deal to Morocco worth $244m.

Meanwhile in Washington, the USDA announced another PL-480 deal: with Egypt, for 286,000 tonnes of wheat worth $40m. An earlier blended credit sale to Egypt provided for the sale of 448,000 tonnes of wheat and awarded $7.6m for poultry.

NFU urges pig subsidy probe

THE National Farmers' Union *has called for* "a full and immediate investigation" into financial aids recently given to French pig producers.

Mr Jim Blanchard, chairman of the union's pig committee, said: "It is evident that in introducing this measure, coupled with the action to restrict points of entry for livestock and meat imports into France, the French Government is prepared to give special help to its pig industry."

If the aid was found to be illegal, "we would expect the EEC Commission to insist upon its immediate withdrawal or, failing that, to take appropriate sanctions against the French Government," he said.

● COCOA continued to dominate trading on the London soft (non-metal) commodity market last month. Figures published by the International Commodities Clearing House show it accounted for 188,015 lots out of a total of 430,710. In value terms cocoa's £3,628m total, which compares with £1,418m in January 1983, was a long way ahead of its nearest rival, gas oil, at $1,312m.

● TEA prices slipped further from recent record highs at yesterday's weekly London auction. Quality grade finished 10p lower at 305p a kilo, medium 24p lower at 276p and low medium 4p lower at 226p.

● NEW cases of foot-and-mouth disease and swine fever reported in the Netherlands last week, are all in areas already infected, the Agriculture Ministry said.

● INDIA raised antimony metal prices by 15,000 rupees to 54,500 rupees a tonne, nickel squares and cathodes by 1,000 rupees to 96,000 rupees, nickel briquettes by 1,000 rupees to 95,000 rupees, electrolytic high-grade zinc by 2,700 rupees to 25,000 rupees and special high-grade zinc by 2,700 rupees to 25,100. Copper and lead were unchanged.

Europe eats into Greek dairy industry

John Empson explains how EEC membership has hit Greece's disadvantaged milk producers

DAIRYING in the UK and dairying in Greece are as different as chalk and cheese. One is based on the cow in an equable climate and the other upon the ewe and goat in the Mediterranean.

Yet both have a common problem: each industry's country is a member of the EEC and each faces the problem of imports from fellow member states.

The UK, helped by the Channel and domestic milk regulations, avoided direct imports of milk until a month ago.

Greece, having joined the EEC in May 1979, had a transitional year of grace but now milk in all its forms flows into the country apace. The country did have the protection of a land journey of nearly 1,500 miles separating it from fellow EEC members, but this has been overcome by the supply of a three-to-one concentrate of milk which cuts transport costs.

Now tankers carrying the equivalent of 80,000 litres of milk at a time trundle daily from France and Germany into the country.

A commodity trade in milk has been established, with the dairying countries of the EEC "north" filling the deficit in the Mediterranean "south" of Greece and Italy.

Greece, with a population of 9.7m, is a good consumer of dairy products. A cheese consumption of 18 kg a head a year is not far off France's record figure of 19 kg and well above the UK's 6 kg. There is an enormous demand for yoghurt, particularly of the traditional kind.

The overall production of milk in Greece is 1.7m tonnes a year. This is not large by EEC standards, but two-thirds is of the richer ewe's and goat's milk and one-third from the cow.

The Greek household uses olive oil in place of butter, but feta cheese, originally made from ewe's milk, features in most meals and a high-fat yoghurt, also originally from ewe's milk, is a daily food.

The milk tankers coming from the north have become the main suppliers to the only condensery, a subsidiary of Nestlé, and are now penetrating other fresh milk markets. The cost per litre is said to be 10 to 15 per cent cheaper than the local equivalent.

Canned evaporated and a variety of UHT and sterilised milks can also be seen on Athens supermarket shelves, coming from France and the Netherlands.

The cheese-makers of the north—principally Denmark—have also successfully penetrated the feta market. Cow's milk feta, the patriotic Greek will tell you, bears no resemblance to the well-made sheep's milk product. But the fact that in Athens the Danish type retails for 20 per cent less, seems to make a difference. Cheese imports have risen from around 5,000 tonnes a year "pre-EEC" to nearly 40,000 tonnes now, almost a quarter of the market.

The Greek dairy industry is attempting to respond. Synergal, the marketing arm of a dozen producer co-operatives, is embarked on a Drachmae 1,600m (£11m) project, coming *into operation this month*, to enter the fresh product market and to sell its members' cheese collectively. It is backed by the Agricultural Bank. It is a pity, perhaps, that this initiative was not taken sooner.

The concept that in the EEC the north should concentrate on products for which it is best suited and that the south does likewise with its own specialities may be correct in theory. But, in this case, it seems harsh in practice.

The average herd size in the cow's milk producing areas of northern Greece is only two or three. The main Athens dairy, family-owned and committed to domestic milk, says it has as many as 15,000 small producers, extending to the border with Turkey.

Milk is collected twice a day for most of the year and has to be treated in four assembly centres before being sent to Athens, where a third of the population lives.

Undoubtedly Greece is a high-cost milk producing country. But it is also a poor country where 30 per cent of the people depend upon agriculture. One suspects that the sale of a small quantity of milk—from the cow, ewe or goat—might mean a lot to a great many small-scale farming families.

One wonders, indeed, whether the maintenance of this modest livelihood might not really be more important than the use now being made of the Greek market, under the EEC system, by the big producers of the north, with a comparative advantage and who happen now to be in serious surplus.

Pakistan to import U.S. cotton

ISLAMABAD — Pakistan is importing cotton worth $35m (£25m) from the U.S. following damage to *its own crop in the* 1983/84 season which began on September 1, the official Radio Pakistan quoted Mr Ghulam Ishaq Khan, the Finance Minister, as saying.

The broadcast said Mr Ishaq told local reporters in Rawalpindi that the 1983/84 cotton production was estimated at between 2.9m and 3.2m bales, down from a target of 5.2m bales and 1982/83 production of 4.8m bales.

But he said the crop, damaged by pests in the main growing provinces of Punjab and Sind, would be enough to meet domestic requirements.

Pakistan has banned cotton exports and made concessions on imports to ease pressure on domestic prices.

The minister said domestic cotton prices had fallen to Rs 750 (£39.47) a bale from Rs 900 a month ago.

Ginners are now asking the Government to allow the state-run Cotton Export Corporation to buy large stocks of cotton lying with them, he said.
Reuter.

S. Africa 'almost certain' to import maize this year

BOTHAVILLE — South Africa is almost certain to need to import maize for the second successive year because of drought, according to Mr Pieter Gouws, general manager of the National Association of Maize Producers' Organisations.

He said a survey at the end of last week indicated that the crop would be 7m tonnes under the best conditions and as low as 4m if no rain fell within 14 days. Domestic consumption is about 6.5m tonnes.

"I think there is very little doubt about importing. If it is not a certainty, then it is very close," Mr Gouws said.

Last year the crop was 3.9m tonnes, less than a third of record output, and South Africa was forced to arrange imports of about 2m tonnes of yellow maize to meet domestic demand by tender and private deals.

Deliveries to the maize board are likely to be some 800,000 tonnes lower than production, with farmers keeping back a portion for their own use, he said.

Consumption could also be higher than 6.5m tonnes because animal grazing areas had been devastated by the drought.

Mr Gouws said maize growing areas were still virtually dry at the weekend and the chance of receiving the heavy rain which is needed seemed remote.

The drought had been worse than last year in the Western Transvaal and North Western Orange Free State, although a decent crop was likely in some parts of Eastern Transvaal.

Trade sources said they agreed with Mr Gouw's view that imports were virtually certain, adding that they expected the crop to tend to the lower rather than the higher end of his range. One source said some 1.4m tonnes could be needed from abroad.

● VIENNA — Czechoslovak grain production rose 7.4 per cent last year to a record 11.04m tonnes, the Federal Statistic Office said. This included a 26.4 per cent rise in wheat production to 5.82m tonnes.

Oilseed production rose 59.8 per cent to 362,000 tonnes but the sugarbeet harvest of 6.04m tonnes was only 73.5 per cent of the 1982 level because of drought.
Reuter

Australian wool prices rise

Wool prices continued to rise in last week's Australian wool market on higher trade demand, small offerings and strong Soviet buying, the Australian Council of Wool Buyers said in its weekly market review.

The market indicator rose 2 cents to 490 cents per kg with demand concentrated on restricted supplies of fine 19 micron wools, which rose 31 cents during the week, the council said.

Early figures indicate a trade buying rate of around 94 per cent, the highest for the season.
Reuter

PRICE CHANGES

In tonnes unless stated otherwise	Feb. 6 1984	+ or —	Month ago
Metals			
Aluminium	£1100	......	£1100
Free Mkt	$1530/560	......	$1670/680
Copper			
Cash h Grade	£1000	—5.5	£997
3 mths	£1023.75	—5.75	£1021.25
Cash Cathode	£987.5	—6	£982.75
3 mths	£1010	—6.25	£1005.75
Gold troy oz.	$381.50	—2.625	$366.875
Lead Cash	£277.5	—0.5	£288
3 mths	£286.75	......	£297.75
Nickel	£4945	......	£4815
Free Mkt	207/227c	......	208/228c
Palladium oz.	$158.00	—0.75	$146.75
Platinum oz.	£271.30	—2.35	£268.50
Quicksilver†	$302/308	......	$306/310
Silver troy oz.	614.30p	—7.50	565.30p
5 mths	628.40p	—7.05	578.10p
Tin cash	£8062.5	—52.5	£8637.5
3 months	£8118.5	—53	£8805.5
Tungsten	$74.41	......	$73.43
Wolfram22.04lb	$74/78	......	$72/76
Zinc	£716.75	—14	£668
3mths	£766.75	—10.5	£664.75
Producers	$1,050	......	$980

	Feb. 6 1984	+ or —	Month ago
Oils			
Coconut (Phil)	$1280v	+110	$1080
Groundnut	‡	......	‡
Linseed Crude	£428	—16	‡
Palm Malayan	$820u	—6	$800
Seeds			
Copra Phil	$780v	+40	$710
Soyabean(U.S.)	$299.5	—3.05	$314.25
Grains			
Barley Fut.May	£119.50	—0.20	£193.05
Maize	£146.50	......	£147.50
Wheat Fut.May	£121.65	+0.05	£161.00
No 2 Hard Wint	‡	......	‡
Other commodities			
Cocoa ship't*	£1888.0	—47.5	£1948
Futures May	£1828.5	—10.5	£1865.5
Coffee Ft. May	£1029	—5.5	£1998.5
Cotton A Index	87.60c	—0.80	87.95c
Gas Oil Mar	$247.25	+1.50	$247.5
Rubber (kilo)	90p	—1	86p
Sugar (raw)	£128.50v	—0.50	£124
Woolt'ps 64s	470p kilo	+4	‡

‡ Unquoted. u April. z March. x May. v Feb-March. y Jan-Feb. † Per 75 lb flask. * Ghana cocoa. n Nominal. c Cent per pound.

LONDON OIL

The market opened at slightly higher levels and moved little during the morning session in very thin volume. During the afternoon it came under pressure when New York traded at its lows but rallied when New York moved higher. There was little volume and only a narrow price range, reports Premier Man.

SPOT PRICES

	Latest	Change + or —
CRUDE OIL—FOB ($ per barrel)		
Arabian Light	28.65-28.85	—0.05
Iranian Light	27.70-27.85	—
Arab Heavy	26.40-26.55	+0.02
North Sea (Forties)	28.80-30.00	—0.05
North Sea (Brent)	29.90-30.10	+0.05
African Bonny Lt'ht	30.70-30.80	—
PRODUCTS—North West Europe ($ per tonne)		
Premium gasoline	268-271	—
Gas Oil	254-261	—
Heavy fuel oil	175-176	—0.6

CRUDE OIL FUTURES

Month	Yest'day's close	+ or —	Business Done
	$ U.S. per brl		
Feb.	—	—	—
Mar	29.80	+0.10	29.80-29.70
Apr	29.47	+0.02	29.46-29.40
May	29.55	—0.05	29.35-29.34
June	29.295	—.025	—
July	29.220	—.025	—
Aug	29.285	—.025	—

Turnover: 128 (22) lots of 1,000 barrels.

GAS OIL FUTURES

Month	Yest'day's close	+ or —	Business Done
	$ U.S. per tonne		
Feb	250.50	+1.50	252.50-251.5
Mar.	247.25	+1.50	247.50-245.7
April	241.50	+1.25	241.75-240.0
May	237.50	+1.00	237.25-235.5
June	256.00	+2.00	236.50-254.5
July	251.00	+1.50	237.50-236.0
Aug	258.00	+1.25	—
Sept	241.00	+0.50	—
Oct	243.25	—0.25	—

Turnover: 1,125 (1,594) lots of 100 tonnes.

GOLD MARKETS

Gold fell $2½ an ounce from Friday's close in the London bullion market yesterday to finish at $381¼-381¾. The metal opened at $381-381½ and traded between a high of $381¾-382¼ and a low of $379-379½. There were no new features in the market with the price in London influenced by the dollar's firmer trend.

In Frankfurt the 12½ kilo bar was fixed at DM 33,745 per kilo ($381.98 per ounce) against DM 34,310 ($388.00) and closed at $380½-381 from $383-383½.

In Luxembourg the dollar per ounce equivalent of the 12½ kilo bar was $381.0 from $385.75.

In Paris the 12½ kilo bar was fixed at FFr 103,500 per kilo ($381.08 per ounce) in the afternoon compared with FFr 103,500 ($381.58) in the morning and FFr 104,800 ($386.02) on Friday afternoon.

In Zurich gold finished at $381-381½ from $383½-383¾).

LONDON FUTURES

Month	Yest'days close	+ or —	Business Done
	$ per troy ounce		
Feb	370.10-84.00	—2.45	381.20-80.50
April	387.20-87.40	—1.95	387.40-84.70
June	300.00-94.00	—1.90	—
Aug	399.70-98.50	—1.80	—
Oct	406.00-07.50	—1.90	—
Dec	415.00-14.00	—2.00	—

Turnover: 354 (475) lots of 100 troy ounces.

	Feb. 6		Feb. 3	
Gold Bullion (fine ounce)				
Close	$381¼-381¾	(£267-267¼)	$383¾-384¼	(£269¼-269¾)
Opening	$381-381½	(£267-267½)	$388½-389¼	(£271½-272¼)
Morning fixing	$380.40	(£266.704)	$386.25	(£271.434)
Afternoon fixing	$380.60	(£267.604)	$383.10	(£268.036)

Gold and Platinum Coins Feb. 6					
Krugrnd	$393½-394	(£276-276½)	King Sov	$91-92½	(£60¼-64¼)
½ Krug.	$203¾-204¼	(£142¼-142¾)	Victoria Sov	$91-92½	(£63¼-64¼)
¼ Krug.	$103½-104¼	(£72½-76¼)	French 20s	$76½-77¼	(£53-54¼)
1/10 Krug.	$48¼-45	(£20¾-30¼)	50 Pesos Mex	$470-472	(£329¾-331)
Mapleleaf	$303¼-303¾	(£275¼-010¼)	100 Cor-Aust	$370-374	(£259½-209½)
New Sov	$90-91	(£63¼-63¾)	$20 Eagles	$540-560	(£378¾-385¾)
½ New Sov.	$54-64¾	(£37¾-38½)	Noble (Plat.)	$396-402½	(£270-282¼)

EUROPEAN MARKETS

ROTTERDAM, February 6.

Wheat—(U.S. $ per tonne): U.S. No. 2 Red Winter: Feb 152, March 153, April 154.75, May 155.25, June 15/July 15 141. U.S. No. 2 Northern Spring, 14 per cent protein: Feb 191, March 192, April/May 16 177, April/May 175, May 177, June 176, July 175, Aug 171, Sept 167. U.S. No. 3 Amber Durum: Feb 205, March 208, April/May 190, June 190, July 189, Aug 185, Sept 191, *Oct* 183, *Nov* 185. *Canadian* Western Spring: April/May 205, June 204, Nov 200.

Maize—(U.S. $ per tonne) U.S. No. 3, Yellow: Feb 153, March 151.50, April/June 152.50, July/Sept 152, Oct/Dec 137, sellers. Argentine, Plate: Feb 1/20 165, March 162, April 164, April/June 152, sellers.

PARIS, Feb 6.

Cocoa—(FFr per 100 kg): Mar 2200/2215; May 2220/2225; July 2206 bid; Sept 2210 bid; Dec 2160 bid; Mar 2160 bid; May 2160 bid.

Sugar—Mar 1698/1702; May 1745/1746; Aug 1845/1850; Oct 1925/1930; Dec 1985/2010; Mar 2125/2145.

BRITISH COMMODITY PRICES

BASE METALS

BASE-METAL PRICES were mixed on the London Metal Exchange. Copper eased to £1,006 in early trading, rallied to £1,012 on the Comex opening but lost ground following an unexpectedly high stocks figure and closed at £1,006. Zinc dipped below the psychologically-important £700 level to a low of £693, closing at £698.5. Nickel went lower, reflecting chartist selling, to close at £3,331. Lead was easier at £285, but Tin was finally £8,716 and Aluminium £1,095.

COPPER

Amalgamated Metal Trading reported that in the morning cash Higher Grade traded at £985, three months £1,006, 7, 8.50, 7, 7.50. Cathodes: Three months £994. Kerb: Higher Grade: Three months £1,007, 7.50, 8, 6. Afternoon: Higher Grade: Three months £1,012, 11.50, 12, 11, 10.50, 10. Kerb: Higher Grade: Three months £1,010, 6, 8.50, 8, 7, 8, 6.50, 1, 6, 5.50, 6, 5, 4.50, 5. U.S. Producers: 67-71 cents per pound. Turnover: 21,600 tonnes.

COPPER	a.m. Official	+ or —	p.m. Unofficial	+ or —†
High Grade	£	£	£	£
Cash	984.5-5	—12.5	987-8	—5
3 months	1007.5-8	—11	1010-.5	—5.5
Settlem't	985	—12.5	......	......
Cathodes				
Cash	971-5	—14.7	973-5	—5
3 months	994-5	—11.7	996-7	—5.5
Settlem't	976	—14.5	......	......

TIN

Tin — Morning: Standard: Three months £8,715, 25, 28, 30, 25, 30, 45, 50, 45, 40, 55, 30, 25, 28, 30, 28. Kerb: Standard: Three months £8,735, 30. Afternoon: Standard: Three months £8,720, 21, 20, 15, 10, 20, 15, 11. High Grade: Cash £8,655. Kerb: Standard: Three months £8,715, 11, 10. Turnover: 1,635 tonnes.

TIN	a.m. Official	+ or —	p.m. Unofficial	+ or —†
High Grade	£	£	£	£
Cash	8675-80	+35	8646-50	+27.5
3 months	8760-5	+40	8747-50	+21
Settlem't	8680	+35	......	......
Standard				
Cash	8570-80	+15	8670-5	+27.5
3 months	8768-70	+38.5	8710-1	+20
Settlem't	8580	+10	......	......
Straits E	$90.15	—	......	......

LEAD

Lead—Morning: Cash £277, 77.50, three months £286.50, 87, 87.60. Kerb: Three months £287, 87.50, 88, 87. Afternoon: Cash £276, three months £287, 86.50, 86, 86.50, 86, 86.25, 86.50, 86. Kerb: Three months £286. U.S. Spot: 24-29 cents a pound. Turnover: 7,175 tonnes.

LEAD	a.m. Official	+ or —	p.m. Unofficial	+ or —†
	£	£	£	£
Cash	277-0.5	—5	276-.5	—5
3 months	286.5-7	—.87	285.5-6	—5.5
Settlem't	278	—5	......	......

ZINC

Zinc — Morning: Cash £705, three months £695, 94.50, 94, 94.50, 96, 97, 98, 99, 700, 699, 98, 97.50, 99, 700, 699, 99.50. Kerb: Three months £698, 96, 700, 699.50, 99, 98.50. Afternoon: Cash £700, three months £700, 699, 98, 97, 97.50, 97, 96. Kerb: Three months £695, 95.50, 96, 97, 96, 95.50. U.S. Prime Western: 45.50-51.75 cents a pound. Turnover: 22,150 tonnes.

ZINC	a.m. Official	+ or —	p.m. Unofficial	+ or —†
	£	£	£	£
Cash	706-.0	—7.25	698-9	—18.6
3 months	699.20	—6.15	696-.5	—14.5
Settlem't	706.5	—7.5	......	......

ALUMINIUM

Aluminium—Morning: Three months £1,089, 90, 91, 92, 93, 95, 96, 97, 98, 97.50. Kerb: Three months £1,097.50, 97. Afternoon: Three months £1,095, 95.50, 96, 96.50, 97, 96, 95.50, 96, 95.50, 95. Kerb: Three months £1,095.50, 95, 94.50. Turnover: 19,450 tonnes.

Aluminium	a.m. Official	+ or —	p.m. Unofficial	+ or —†
	£	£	£	£
Spot	1070-1	+5.75	1067.5-8.5	+3.5
3 months	1097-.5	+6.75	1096-.5	+4.5

NICKEL

Nickel—Morning: Cash £3,280, three months £3,365, 69, 69, 69, 70, 67, 65. Kerb: Three months £3,360, 55, 52. Afternoon: Three months £3,355, 50, 45, 43, 40, 45, 47, 45. Kerb: Three months £3,340, 35, 31. Turnover: 1,194 tonnes.

NICKEL	a.m. Official	+ or —	p.m. Unofficial	+ or —†
Spot	3275-80	—30	3276-.5	—26.5
3 months	3360-3	—20	3340-5	—33

* Cents per pound. ‡ M$ per kilo. † On the previous unofficial close.

SILVER

Silver was fixed 7.5p an ounce lower for spot delivery in the London bullion market yesterday at 614.3p. U.S. cent equivalents of the fixing levels were: spot 873.7c, down 13.6c; three-month 894.3c, down 13.1c; six-month 918.7c, down 13.6c; and 12-month 962.3c, down 14.6c. The metal opened at 616-618p (880-883c) and closed at 613-615p (875-878c).

SILVER per troy oz.	Bullion fixing price	+ or —	L.M.E. p.m. Unoffic'l	+ or —
Spot	614.30p	—7.50	615.5p	—4.0
3 months	628.40p	—7.65	628.5p	—4.5
6 months	643.40p	—7.60	—	......
12 months	670.40p	—8.10	—	......

Turnover: 1,125 (1,584) lots of 100 tonnes.

LME—Silver (2,000 oz contract): Three months 615.5p (620.0p). Turnover: 2 (nil).

Turnover: 122 (46) lots of 10,000 ozs. Morning: large three months 628.0, 28.5, 28.0, 28.1, 28.2; small three months 627.5. Kerb: Large three months 629.5, 30.0. Afternoon: Large three months 631.5, 30.5, 31.0, 29.5, 28.5, 29.5. Kerb: Three months 630.0, 29.5, 30.0.

COCOA

Although firmer for the first minutes of trading futures eased £25 during the morning session and late in the afternoon traded through limit down. On the re-opening however values rallied and the closing call was on a steady note, reports Gill and Duffus.

COCOA	Yesterday's Close	+ or —	Business Done
	£ per tonne		
March	1842-46	—31.5	1885-55
May	1828-29	—10.5	1845-15
July	1808-10	—37.0	1814-93
Sept	1786-87	—11.0	1795-14
Dec	1770-16	—5.0	1716-56
March	1769-00	+1.0	1765-60
May	1701-60	—28.0	—

Sales: 5,746 (6,496) lots of 10 tonnes.

ICCO indicator prices (U.S. cents per pound). Daily prices for Feb 3: 116.85 (119.29); five-day average for Feb 6: 118.23 (118.47).

COFFEE

In light volume London opened £10-£20 higher reports Drexel Burnham Lambert. However, early gains based upon a steadier New York close and lower sterling were gradually surrendered as trade and dealer selling provided resistance. Prices traded unchanged to £8 lower before commission house buying in nearby contracts encouraged a £16 rally.

COFFEE	Yest'day's Close	+ or —	Business Done
March	2096-01	—25.0	2102-75
May	1028-30	—5.0	1034-12
July	1854-56	+6.5	1857-46
Sept	1824-20	+1.0	1830-18
Nov	1802-03	+3.0	1801-86
January	1770-70	—4.0	1776-70
March	1746-52	—4.0	1705-50

Sales: 2,741 (4,377) lots of 5 tonnes.

ICO indicator prices (U.S. cents per pound) for Feb 3: Comp. daily 1979 140.52 (140.56); 15-day average 139.77 (139.57).

GRAINS

Old crop wheat market remained around unchanged throughout the day with mixed buying interest towards the close. Barley saw an improvement on a light two-way shipper trade. New crops were dull, reports Muirpace.

Mnth	WHEAT Yesterd'ys close	+ or —	BARLEY Yest'rd'ys close	+ or —
Mar.	120.00	—0.05	117.95	+0.20
May	121.65	+0.05	119.50	+0.20
July	122.50	—0.10	—	......
Sept.	108.25	—0.15	106.05	—0.10
Nov.	111.10	—0.20	109.05	—0.05
Jan.	114.25	—0.15	112.00	—0.10

Business done—Wheat: Jan 114.35 only, March 120.15-9.75, May 121.75-1.40, July 122.60-2.45, Sept 108.25-8.20, Nov 111.30-1.00. Sales: 143 lots of 100 tonnes. Barley: March 118.05-7.80, May 118.45-9.30 Sept 106.05 only, Nov 109.10-9.00. Sales: 152 lots of 100 tonnes.

HGCA—Locational ex-farm spot prices: Feed wheat: Eastern 117.50, E. Mids 118.10, N. East 120.30. Feed barley: E. Mids 117.50, N. East 117.80. The UK Monetary Coefficient for the week beginning Monday February 13 (based on HGCA calculations using four days exchange rates) is expected to remain unchanged.

LONDON GRAINS—Wheat: U.S. Dark Northern Spring No. 1, 14 per cent Feb 144.75, March 146.25, April/May 135.75, May 135, June 135.75, transhipment East Coast, sellers. English Feed, fob: Feb 123.50, paid Kinglynn, March 124.50, April/June 125, East Coast, sellers. Maize: U.S./French: Feb 145.50, 1st-half March 146, East Coast sellers. Barley: English Feed, fob: Feb 121.50, March 125, East Coast, sellers.

POTATOES

Technical selling in relatively quieter conditions eased the market lower, closing mid range on slightly easier tone, reports Coley and Harper.

Month	Yesterday's close	Previous close	Business Done
	£ per tonne		
Feb.	153.80	107.80	156.00-154.0
April	212.90	217.50	215.60-209.5
May	228.00	236.10	227.30-222.0
Nov.	77.50	71.65	—
Feb.	87.50	87.50	88.00-87.90

Sales: 881 (1,604) lots of 40 tonnes.

RUBBER

The London physical market opened about unchanged, met with persistent selling throughout the day and closed on an easier note, reports Lewis and Peat. The Kuala Lumpur February fob price for RSS No. 1 was — (266.55) a kg and SMR 20 — (230.5).

No. 1 R.S.S.	Yesterday's close	Previous close	Business Done
	£ per tonne		
Mch	885-890	885-900	886
Apr.	890-914	900-910	—
Apl-Jne.	888-890	905-907	905-880
Jly-Sept	902-904	919-080	917-904
Oct-Dec	914-910	931-934	926-057
JanMch	935-930	940-947	—
Apl-Jne.	938-944	885-060	—
Jly-Sept	950-055	965-272	—
Oct-Dec	969-980	981-990	—

Sales: 189 (123) lots of 15 tonnes, 4 (nil) lots of 5 tonnes.

Physical closing prices (buyers) spot 88.00p (89.50p), March 89.00p (90.25p), April 89.50p (90.75p).

SOYABEAN MEAL

The market opened £1.00 down in thin trading reports T. G. Roddick. Prices remained on defensive due to weak cash markets closing with losses of £3.00.

	Yesterday's close	+ or —	Business Done
	£ per tonne		
Feb.	148.50-55.00	—2.75	—
April	157.00-57.50	—3.10	159.40-56.50
June	159.30-59.30	—2.55	160.50-58.00
August	159.80-60.50	—3.60	161.50
October	160.00-61.50	—3.00	—
Dec	162.10-63.30	—1.80	—
Feb	162.00-67.00	—3.50	—

Sales: 52 (66) lots of 100 tonnes.

SUGAR

LONDON DAILY PRICE—Raw sugar £128.50 (£129.00). White sugar $205.90 ($206.00).

The market ignored reports that Russia needed to buy more sugar for 1984. *Over the day prices lost a total* of $5. The LDP was $183 (£128.50) and the LDP(W) was $205.50, reports C. Czarnikow.

No. 4 Contract	Yestday's close	Previous close	Business done
	£ per tonne		
Mar.	132.95-33.00	138.15	138.75-32.25
May	138.25	141.85-41.00	142.00-37.25
No. 6 Contract	**$ per tonne**		
Mar.	180.00-80.50	185.00-85.40	186.00-80.20
May	197.20-97.50	202.20-02.60	205.40-97.00
Aug.	206.20-06.40	210.40-10.80	211.00-06.20
Oct.	215.60-14.40	218.00-18.20	219.60-14.00
Dec.	219.80-21.40	224.80-25.00	—
Mar.	235.30-37.00	238.80-40.00	237.00
May	245.00-45.00	248.00-48.80	249.00

Sales No. 4 1,346 (1,188); No. 6 675 (533) lots of 50 tonnes.

Tate and Lyle delivery price for granulated basis sugar was £235.50 (£236.25) a tonne for export.

International Sugar Agreement—(U.S. cents per pound fob and stowed Caribbean ports). Prices for Feb 3: Daily price 7.14 (6.94); 15-day average 7.03 (7.02).

TEA AUCTIONS

LONDON TEA AUCTIONS — 31,607 packages on offer including 5,000 packages in the offshore section. Selected Assams lost 5-10p, but others were on irregular 10-20p lower with some withdrawals. Colory Sylhets ruled firm to dearer but plainer sorts were 10p easier. Africans were well supported but at prices which were 10-30p lower and sometimes more. Teas from Burundi and Rwanda were well received and on occasion dearer. Ceylon quality invoices sold readily and were often dearer but mediums met less competition and declined 20-30p. Offshore teas received a good general demand at irregularly lower rates. Quotations: Quality 305 (315), medium 276 (300), low medium 226 (230).

COTTON

Spot and shipment sales in Liverpool amounted to 40 tonnes. Few contracts at note were secured, but here and there useful demand was encountered, chiefly in North American and African styles. The call for Middle Eastern Growths was negligible.

JUTE

JUTE—C and F Dundee BWC $511, BWD $501, BTB $540, BTC $511, BTD $501; C and F Antwerp BWC/BTC $514, BTD/BWD $504; C and F Dundee Feb 64 India nominal 40 in 16 oz £18.88, 40 in 7.5 oz £14.39; B Twills £55.32.

WOOL FUTURES

LONDON NEW ZEALAND CROSSBREDS—Close (in order: buyer, seller, business). New Zealand cents per kg: March 430, 438, nil; May 350, 457, nil; Aug 478, 479, nil; Oct 476, 479, nil; Dec 476, 479, nil; Jan 476, 479, 476; March 489, 491, nil; May 492, 496, nil; Aug 496, 503, nil. Sales: 1.

SYDNEY GREASY WOOL—Close (in order: buyer, seller, business). Australian cents per kg. Mar 579.5, 579.8, 579.5-579.5; May 594.5, 595.0, 595.0-595.0; July 606.5, 607.5, 608.0-608.0; Oct 584.0, 588.0, 588.0-588.0; Dec 595.0, 596.0, 596.0-595.0; Mar 609.0, 614.5, nil; May 615.0, 622.0, nil; July 628.5, 634.5, nil. Sales: 20.

INDICES

FINANCIAL TIMES

Feb. 3	Feb. 2	M'th ago	Y'ar ago
996.09	996.96	296.05	258.62

(Base: July 1 1952=100)

REUTERS

Feb. 6	Feb. 3	M'th ago	Y'ar ago
1991.5	1998.0	1971.1	1676.4

(Base: September 18 1931=100)

MOODY'S

Feb. 3	Feb. 2	M'th ago	Year ago
1051.6	1050.0	1050.0	1071.9

(Base: December 31 1931=100)

DOW JONES

Dow Jones	Feb. 3	Feb. 2	Month ago	Year ago
Spot	137.68	137.01	137.75	146.55
Fut's	141.28	141.52	141.01	150.36

(Base: September 18 1931=100)

MEAT/FISH

MEAT COMMISSION—Average fatstock prices at representative markets: GB—Cattle 95.14p per kg lw (−1.14). GB—Sheep 184.86p per kg est dcw (+8.63). GB—Pigs 77.46p per kg lw (−0.54).

SMITHFIELD—Pence per pound. Beef—Scotch killed sides 78.6-84.0; Ulster forequarters 63.0-66.0. Lamb—English small 76.0-82.0; medium 75.0-78.0; heavy 74.0-76.0. Imported: New Zealand PL 58.5-59.5; PX 56.0-57.0. Pork—English under 100lb 48.0-53.0; 100-120lb 48.0-53.0; 120-160lb 40.0-50.0.

GRIMSBY FISH—Supply good, demand good. Prices at ship's side (unprocessed) per stone: shell cod £4.00-£5.00; codlings £3.20-£4.50; large haddock £4.20-£4.70, medium £3.70-£4.20, small £2.80-£3.20; large plaice £3.50-£4.20, medium £3.30-£4.40, best small £3.70-£4.30; skinned dogfish medium £12.00; lemon sole large £14.00, small £9.00; rockfish £2.60-£3.70; saithe £2.00-£2.70.

English Produce: Apples per lb, Cox's 0.16-0.30, Ida Red 0.14-0.16, Golden Delicious 10.00-12., Bramley .16-.21, Spartan 0.14-0.18, Laxton 0.12-0.16. Pears: per lb, Comice 0.15-0.20, Conference 0.10-0.10. Potatoes: Whites 4.20-4.60, Edwards 4.80-5.20, Bakem 7.50-8.00. Mushrooms: per lb, open 0.55-0.65, closed 0.70-0.8. Lettuce: per tray round 2.6-3.00. Onions: per 55-lb 4.20-6.00. Cabbages: per 25-lb, Celtic 2.00-3.00, Jan King 3.0-3.2. Cauliflower: 12's Kent 4.00-4.20.

AMERICAN MARKETS

Precious metals weakened due to a strong dollar and over-bought conditions. Copper and aluminium were lower on arbitrage selling and were influenced by the weak tone of gold and silver. Sugar failed to react to reports of Soviet buying interest due to good overhead trade selling. Cotton found good trade support at lower levels on continued tightness to cash supplies. Cocoa attracted selling on indications that West African crop prospects had improved. Coffee weakened on arbitrage selling and lacking fresh fundamental news. Heating oil was mixed with nearby months losing ground to deferreds in view of lower spot market prices.

NEW YORK

ALUMINIUM 40,000 lb, cents/lb

	Close	High	Low	Prev
March	7345	7385	7340	7390
April	7390	—	—	7425
May	7435	7450	7430	7470
July	7545	7540	7540	7580
Sept	7645	—	—	7690
Dec	7820	—	—	7855
Jan	7875	—	—	7910
March	7985	—	—	8020
May	8095	—	—	8130
July	8205	—	—	8240

COCOA 10 tonnes, $/tonnes

	Close	High	Low	Prev
March	2518	2531	2495	2550
May	2460	2486	2435	2496
July	2438	2438	2416	2459
Sept	2407	2416	2390	2445
Dec	2360	2375	2360	2416
March	2340	—	—	2385
May	—	—	—	2380
July	—	—	—	—

COFFEE "C" 37,000 lb, cents/lb

	Close	High	Low	Prev
March	142.77	43.05	42.60	43.40
May	136.00	37.50	36.05	37.15
July	132.27	33.60	32.16	33.38
Sept	130.08	31.25	30.01	30.75
Dec	128.25	29.25	28.25	28.40
March	126.25	26.25	26.25	26.13
May	124.05	—	—	24.40
July	22.75	—	—	23.05

COPPER 25,000 lb, cents/lb

	Close	High	Low	Prev
Feb	63.65	—	—	64.45
March	64.05	64.30	63.50	64.85
April	64.75	—	—	65.55
May	65.35	65.55	64.85	66.15
July	66.65	66.80	66.16	67.45
Sept	68.05	68.15	67.50	68.85
Dec	76.16	76.20	69.60	76.95
Jan	76.85	—	—	71.65
March	72.20	72.15	71.75	73.00
May	73.50	73.88	73.00	74.30

COTTON 50,000 lb, cents/lb

	Close	High	Low	Prev
March	75.40	76.65	75.53	76.20
May	76.50	76.60	75.75	76.30
July	76.25	76.35	75.90	76.42
Oct	73.37	73.45	73.15	73.22
Dec	71.87	71.95	71.61	71.50
March	73.25	73.25	73.00	72.60
May	75.80	73.80	73.80	73.40
July	420.0	—	—	360.0

CRUDE OIL (LIGHT) 42,000 U.S. gallons, cents/U.S. gallons

	Close	High	Low	Prev
March	30.15	30.22	30.01	30.11
April	29.96	29.90	29.75	29.91
May	29.82	29.85	29.72	29.83
June	29.72	29.00	29.65	29.76
July	29.74	29.76	29.68	29.75
August	29.76	29.78	29.70	29.78
Sept	78.75	29.76	29.70	29.75
Oct	29.68	29.68	29.65	29.73
Nov	29.68	29.68	29.68	29.75
Dec	26.78	29.78	29.68	29.80

GOLD 100 troy oz, $/troy oz

	Close	High	Low	Prev
Spo	381.2	381.2	381.2	383.5
Feb	381.0	382.2	379.5	388.1
March	383.8	—	—	386.5
April	387.0	387.7	384.7	391.0
June	393.3	393.5	390.8	397.6
August	399.7	393.0	398.0	404.2
Oct	406.4	406.0	403.5	410.0
Dec	413.9	413.5	411.0	417.0
Feb	420.3	420.5	419.5	424.8
April	427.0	428.0	428.0	432.0
June	435.1	434.2	434.2	439.6
August	442.9	—	—	447.3
Oct	451.0	—	—	455.4
Dec	459.2	—	—	463.6

HEATING OIL 42,000 U.S. gallons, cents/U.S. gallons

	Close	High	Low	Prev
Feb	84.50	—	—	84.75
March	84.30	86.50	84.25	85.40
April	78.75	80.10	78.60	75.37
May	76.30	76.85	76.20	76.45
June	76.80	76.10	76.80	76.00
July	76.10	76.10	75.90	76.00
August	76.00	76.00	76.00	76.80
Sept	76.00	76.50	76.50	76.76
Oct	—	—	—	77.45
Nov	—	—	—	77.70

ORANGE JUICE 15,000 lb, cents/lb

	Close	High	Low	Prev
March	162.20	86.75	62.20	61.00
May	163.95	66.75	63.30	62.00
July	163.00	65.50	62.80	61.00
Sept	163.00	64.90	63.00	60.00
Nov	152.00	62.90	61.40	58.40
Jan	160.00	90.00	58.30	65.00
March	158.90	00.00	58.50	55.00
May	159.00	59.00	60.00	56.00
	Close	High	Low	Prev

PLATINUM 50 troy oz, $/troy oz

	Close	High	Low	Prev
Feb	390.0	—	—	389.4
April	390.5	393.5	389.0	397.0
July	397.0	400.0	398.0	404.9
Oct	403.9	406.0	403.5	411.3
Jan	410.0	—	—	416.3
April	417.6	420.0	420.0	425.3
July	—	—	—	—

SILVER 5,000 troy oz, cents/troy oz

	Close	High	Low	Prev
Feb	876.4	870.0	870.0	895.3
March	881.6	887.6	875.0	900.0
April	888.0	—	—	907.5
May	895.9	902.0	889.0	915.0
July	910.9	916.0	904.6	930.2
Sept	926.2	933.0	924.6	945.7
Dec	949.9	966.0	944.0	969.8
Jan	958.1	—	—	978.2
March	974.5	980.0	970.0	994.9
May	991.8	—	—	12.4

SUGAR WORLD "11" 112,000 lb, cents/lb

	Close	High	Low	Prev
March	7.35	7.50	7.34	7.59
May	7.64	7.80	7.64	7.87
July	7.97	8.12	7.96	8.18
Sept	8.22	8.35	8.22	8.41
Oct	8.39	8.53	8.37	8.59
Jan	8.97	8.96	8.96	9.10
March	8.29	8.47	9.28	9.53
May	9.57	0.75	9.63	9.77
July	9.76	—	—	9.96

CHICAGO

LIVE CATTLE 40,000 lbs, cents/lb

	Close	High	Low	Prev
Feb	68.00	68.57	67.76	68.02
April	66.70	67.22	66.17	66.92
June	66.17	66.72	66.05	66.50
Aug	64.80	65.10	64.50	64.82
Oct	62.55	62.95	62.45	52.80
Dec	63.70	64.00	63.35	63.65

LIVE HOGS 30,000 lbs, cents/lb

	Close	High	Low	Prev
Feb	49.25	49.76	48.96	49.37
April	46.35	47.90	45.90	46.35
June	52.40	53.00	52.00	52.60
July	54.05	54.35	53.55	54.05
Aug	53.75	54.35	53.50	54.16
Oct	51.20	51.60	51.05	51.25
Dec	52.80	52.90	52.25	52.85
Feb	51.97	52.10	51.76	52.00
April	50.90	50.50	50.90	51.00

MAIZE 5,000 bu min, cents/56 lb bushel

	Close	High	Low	Prev
March	329.2	330.0	327.2	330.2
May	333.2	334.2	331.2	334.2
July	334.4	335.2	332.0	335.0
Sept	306.4	306.4	302.4	305.4
Dec	290.0	290.0	288.0	287.0
March	299.8	299.6	296.0	297.4
May	305.0	305.4	301.4	303.4

PORK BELLIES 38,000 lbs, cents/lb

	Close	High	Low	Prev
Feb	64.05	64.65	63.55	63.95
March	64.62	65.40	64.17	64.70
May	66.10	67.16	66.90	66.56
July	67.32	68.20	66.80	67.60
Aug	65.27	65.20	65.10	65.87

SOYABEANS 5,000 bu min, cents/60 lb bushel

	Close	High	Low	Prev
March	727.4	730.4	719.0	734.6
May	743.0	748.0	736.0	752.2
July	756.0	760.4	750.4	764.0
Aug	754.0	748.0	749.0	761.0
Sept	730.0	730.4	725.0	734.9
Nov	715.4	718.4	713.4	720.8
Jan	729.0	731.6	728.4	732.4
March	742.4	744.0	740.0	745.4
May	750.0	761.0	747.0	753.4

SOYABEAN MEAL 100 tons, $/ton

	Close	High	Low	Prev
March	190.2	191.6	188.7	193.7
May	193.0	196.0	192.5	197.4
July	197.5	198.7	196.0	200.6
Aug	198.0	199.0	197.0	200.9
Sept	195.0	195.0	193.0	196.6
Oct	192.6	192.0	191.0	193.0
Dec	194.0	194.0	192.0	196.0
Jan	197.0	195.0	194.0	198.3
March	200.0	—	—	198.4
May	—	—	—	.5

SOYABEAN OIL 60,000 lbs, cents/lb

	Close	High	Low	Prev
March	27.30	27.64	27.02	27.58
May	27.75	28.10	27.50	28.01
July	27.96	28.29	27.65	28.17
Aug	27.80	28.16	27.65	27.93
Sept	27.30	27.45	27.00	27.30
Oct	26.75	26.75	26.40	26.60
Dec	26.39	29.55	26.06	26.33
Jan	26.36	26.40	26.35	26.25
March	26.40	—	—	—
May	—	—	—	—

WHEAT 5,000 bu min, cents/60 lb bushel

	Close	High	Low	Prev
March	331.6	333.4	329.0	333.4
May	334.4	336.6	332.0	338.2
July	331.4	333.6	330.2	334.2
Sept	336.6	339.2	336.4	340.6
Dec	351.0	352.0	348.0	352.0
March	357.0	360.0	357.2	359.2

هكذا من الأصل

CURRENCIES, MONEY and CAPITAL MARKETS

FOREIGN EXCHANGES

Dollar mixed in nervous trade

The dollar had a mixed day on the foreign exchanges, but recovered some of the losses of last week without showing any very firm trend. Dealers also reported a good commercial demand for the D-mark, which returned to the top of the main band within the European Monetary System, only staying below the wider ranging Italian lira.

The weekly U.S. M1 money supply fell by an unexpectedly large $1.7bn on Friday, but this had little impact on the market, which tended to be nervous ahead of Mr Poul Vocker, chairman of The Federal Reserve Board's, testimony before Congress today, the text of which was published yesterday. Monetary targets for the year were also announced by the Fed, and although unchanged caused some apprehension on the exchanges in early trading.

Further trouble in the Lebanon helped to underpin the dollar however, which rose to DM 2.7405 from DM 2.7370 against the D-mark; SwFr 2.21 from SwFr 2.20 against the Swiss franc; and Y233.05 from Y232.75 in terms of the Japanese yen, but fell to FFr 8.4075 from FFr 8.4150 against the French franc.

The dollar's trade-weighted index, on Bank of England figures, fell to 130.0 from 130.3.

STERLING — Trading range against the dollar in 1983-84 is 1.6245 to 1.3955. January average 1.4080. Trade-weighted index 82.1 against 81.9 at noon, 82.2 in the morning, 82.0 at Friday's close, and 84.3 six months ago.

Sterling moved within a narrow range, opening at $1.4260-1.4270, and touching an early peak of $1.4290-1.4300. By mid-afternoon it had fallen to $1.4185-1.4195, but showed a partial late recovery to close at $1.4250-1.4260, a fall of 25 points on the day.

The pound suffered some early selling against the D-mark, but finished unchanged at DM 3.91, and at Y332.50. It fell to FFr 11.9850 from FFr 12.0150, but rose to SwFr 3.1525 from SwFr 3.1450.

D-MARK — Trading range against the dollar in 1983-84 is 2.8425 to 2.3320. January average 2.8109. Trade weighted index 125.1 against 125.3 six months ago.

The dollar was fixed at DM 2.7500 from DM 2.7505 on Friday at yesterday's fixing in Frankfurt and there was no intervention by the Bundesbank. Business volume was inhibited ahead of Federal Reserve chairman Paul Volker's speech to Congress later in the day. Sterling was fixed at DM 3.9120 from DM 3.9200 and the Swiss franc was lower at DM 1.2424 compared with DM 1.2440. Within the EMS the Belgian franc was higher at DM 4.89 per BFr 100 from DM 4.8840 and the French franc improved to DM 32.6 per FFr 100 from DM 32.555. The Dutch guilder was also firmer at DM 88.64 per Fl 100 from DM 88.62.

JAPANESE YEN — Trading range against the dollar in 1983-84 is 246.90 to 226.80. January average 233.77. Trade weighted index 156.6 against 147.4 six months ago.

The yen lost ground to the dollar in Tokyo yesterday as the U.S. unit rebounded after its recent sharp decline. The dollar rose to Y233.28 from an opening level of Y233.15 and Y232.65 in New York on Friday. There was little clear indication as to the dollar's future direction with a larger than expected fall in U.S. money supply on Friday countered by the last released minutes of the FOMC meeting. These revealed that the Federal authorities had been contemplating the possibility of slightly tighter monetary policy.

EMS EUROPEAN CURRENCY UNIT RATES

	ECU central rates	Currency amounts against ECU February 6	% change from central rate	% change adjusted for divergence	Divergence limit %
Belgian Franc ...	44.9008	46.0255	+2.50	+1.98	±1.5447
Danish Krone ...	8.14104	8.16747	+0.32	−0.20	±1.6425
German D-Mark	2.24184	2.24856	+0.30	−0.22	±1.0642
French Franc ...	6.87456	6.90097	+0.38	−0.14	±1.4052
Dutch Guilder ...	2.52595	2.53749	+0.46	−0.06	±1.4964
Irish Punt	0.72569	0.728160	+0.34	−0.18	±1.6699
Italian Lire	1403.49	1381.13	−1.59	−1.89	±4.1505

Changes are for ECU, therefore positive change denotes a weak currency. Adjustment calculated by Financial Times.

£ in New York (latest)

	Feb. 6	Prev. close
Spot	$1.4220-4230	$1.4325-4340
1 month	0.04-0.06 dis	0.05-0.05 dis
3 months	0.16-0.21 dis	0.15-0.18 dis
12 months	0.75-0.00 dis	0.71-0.75 dis

£ forward rates are quoted in U.S. cents discount.

THE POUND SPOT AND FORWARD

Feb 6	Day's spread	Close	One month	% p.a.	Three months	% p.a.
U.S.	1.4185-1.4300	1.4250-1.4260	0.03-0.08c dis	−0.46	0.17-0.22dis	−0.55
Canada	1.7700-1.7800	1.7740-1.7750	0.07-0.17c dis	−0.91	0.23-0.33dis	−0.61
Nethlnd.	4.40-4.43	4.40-4.41	1½-⅞c pm	3.06	3¾-3¼ pm	3.16
Belgium	79.90-80.25	79.95-80.05	10-20c dis	−2.25	50-60 dis	−2.75
Denmark	14.16-14.24	14.19¾-14.20¾	1½-2½ore dis	−1.37	6¾-7 dis	−1.87
Ireland	1.2630-1.2720	1.2645-1.2655	0.23-0.33p dis	−2.66	0.84-0.95dis	−2.83
W. Ger.	3.88½-3.92½	3.90½-3.91½	1¼-⅞pf pm	3.45	3½-3 pm	9.32
[illegible]						

Belgian rate is for convertible francs. Financial franc $1.90-82.00.
Six-month forward dollar 0.32-0.37c dis. 12-month 0.75-0.85c dis.

THE DOLLAR SPOT AND FORWARD

[illegible]

† UK and Ireland are quoted in U.S. currency. Forward premiums and discounts apply to the U.S. dollar and not to the individual currency. Belgian rate is for convertible francs. Financial franc 57.45-57.50.

OTHER CURRENCIES

[illegible]

*Selling rates.

CURRENCY MOVEMENTS

[illegible]

Morgan Guaranty changes: average 1980-1982=100. Bank of England Index (base average 1975=100).

CURRENCY RATES

[illegible]

*CS/SDR rate for Feb 3: 1.29626.

EXCHANGE CROSS RATES

[illegible]

EURO-CURRENCY INTEREST RATES (Market closing rates)

[illegible]

Asian $ (closing rates in Singapore): Short-term 9⅞-9⅞ per cent; seven days 9½-9⅝ per cent; one month 9⅝-9¹¹⁄₁₆ per cent; three months 9¹¹⁄₁₆-9¹³⁄₁₆ per cent; six months 9¹³⁄₁₆-9¹⁵⁄₁₆ per cent; one year 10³⁄₁₆-10⁵⁄₁₆ per cent. Long-term Eurodollars two years 10⅞-11⅛ per cent; three years 11⅛-11⅜ per cent; four years 11⅞-12⅛ per cent; five years 12⅛-12⅜ per cent nominal closing rates. Short-term rates are call for U.S. dollars and Japanese yen; others two days' notice.

MONEY MARKETS

London rates slightly easier

Short-term interest rates maintained a slightly easier tone on the London money market yesterday, but there was little change overall. Three-month sterling interbank remained at 9⅛ per cent, while discount houses buying rates for eligible bank bills were 8¹⁵⁄₁₆-8¹⁷⁄₃₂ per cent, compared with 8⅞-8²⁹⁄₃₂ per cent.

The Bank of England forecast a money market shortage of around £400m in the morning, but this was revised to £450m at noon. Bills maturing in official hands, repayment of late assistance, and a take-up of Treasury bills from Friday's tender drained £411m, while Exchequer transactions absorbed another £100m, and bank balances below target £115m. These were partly offset by a fall in the note circulation of £230m.

UK clearing banks' base lending rate 9 per cent (since October 4 and 5)

Before lunch the authorities bought £210m bills outright by way of £63m bank bills in band 2 (15-33 days) at 9 per cent; £60m bank bills in band 3 (34-63 days) at 8 15/16 per cent; and £87m bank bills in band 4 (64-91 days) at 8⅞ per cent.

In the afternoon another £197m bills were purchased outright through £32m bank bills in band 1 (up to 14 days maturity) at 8⅞ per cent; £7m Treasury bills in band 2 at 9 per cent; £68m bank bills in band 2 at 9 per cent; £21m bank bills in band 3 at 8¹⁵⁄₁₆ per cent; £4m local authority bills in band 4 at 9⅞ per cent; and £65m bank bills in band 4 at 9⅞ per cent.

Late assistance of £25m was also provided.

In New York Federal funds rose to 9⅜ per cent from 9½ per cent in early trading as the Federal Reserve left its growth rates for monetary aggregates unchanged for the new year. The Fed said it needed more time before placing full or primary weight on M1 as a policy guide, and would continue to give substantial weight to the broader figures in setting policy. Just before lunch the Fed added $1.5bn in liquidity to the banking system by customer repurchase agreements, when Federal funds were still at 9⅜ per cent.

In Brussels the Belgian National Bank raised the interest rate on one and two month Treasury bills. The rate on one-month bills was increased by 0.35 per cent to 10.85 per cent, and on two-month bills by 0.10 per cent to 10.85 per cent. Three-month bills were unchanged at 10.85 per cent. The rise was a reflection of the weakness of the Belgian franc within the European Monetary System.

MONEY RATES

Feb. 6	Frankfurt	Paris	Zurich	Amst'dam	Tokyo	Milan	Brussels	Dublin
Overnight	5.5-6.0	10⅛	1¼-0¼	5½-5¾	6.21875	17⅝-18	7.15	11⅞-12⅛
One month	5.55-5.70	18¼-18⅜	0½-2½	5¾-6⅞	6.15625	17⅝-18	10¾-11	12⅛-12⅜
Two months	5.85-6.00	12¼-10⅜	—	—	—	—	—	12⅛-12⅜
Three months	5.00-6.05	16¼-12⅜	3¼-3⅜	5⅞-6	6.28186	17¾-18⅛	11⅝-11⅝	12⅛-19⅝
Six months	6.05-6.20	12½-16⅝	—	6-6⅛	—	—	11½-13¾	12⅛-12⅜
Lombard	5.5	—	—	—	—	—	—	—
Intervention	—	18	—	5⅛	—	—	—	—

LONDON MONEY RATES

Discount Houses Deposit and Bill Rates

Feb. 6 1984	Sterling Certificate of deposit	Interbank	Local Authority deposits	Company Deposits	Market Deposits	Treasury (Buy)	Treasury (Sell)	Eligible Bank (Buy)	Eligible Bank (Sell)	Fine Trade (Buy)
Overnight	—	8-10	9-8⅛	[illegible]	[illegible]					
2 days notice	—	—	9-9⅛	[illegible]	[illegible]					
7 days or	—	—	—							
7 day notice	—	8¹⁵⁄₁₆-9⅛	9-0⅛	[illegible]	[illegible]					
One month	9⅜-0⅛	9⅛-0⅛	9¼	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Two months	9⅛-0¼	9¼-3⅛	9⅛	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Three months	9⅛-9¼	0⅛-9⅛	9⅛	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Six months	9⅛-9⅛	8½-9⅛	0½	[illegible]	[illegible]	[illegible]				
Nine months	0⅞-0⅛	9⅛-0¾	9¾	[illegible]						
One year	9⅝-9½	9¾-9⅞	0¾	[illegible]						

	Local Auth. negotiable bonds	Local Authority Deposits	Finance House Deposits	$ Cert of Deposits	SDR Linked Deposits	ECU Linked Deposits
One month	9⅛-0⅛	—	0⅛	[illegible]	[illegible]	[illegible]
[illegible]						

ECGD Fixed Rate Export Finance Scheme IV Average Rate for interest period December 7, 1983 to January 3, 1984 (inclusive) 9.482 per cent. Local authorities and finance houses seven days' notice, others seven days' fixed. Finance Houses Base Rates (published by the Finance Houses Association). [illegible]

FT LONDON INTERBANK FIXING

[illegible]

The fixing rates are the arithmetic means, rounded to the nearest one-sixteenth of the bid and offered rates for $10m quoted by the market to five reference banks at 11 a.m. each working day. The banks are National Westminster Bank, Bank of Tokyo, Deutsche Bank, Banque Nationale de Paris and Morgan Guaranty Trust.

MONEY RATES

NEW YORK (Lunchtime)

[illegible]

FINANCIAL FUTURES

Gilts weak

Gilt prices lost ground sharply in the London International Financial Futures Exchange yesterday. Prices were pushed lower after Friday's softer finish on news of the Government's new tap stock and recent predictions of higher UK inflation. U.S. bond markets were marked down after the release of December's minutes of the Federal Open Market Committee. These suggested that the Fed had no plans for easing monetary constraints but had made contingency plans to tighten policies should it become necessary.

The poor performance of U.S. bonds was a bearish factor and there was also concern ahead of today's release of UK money supply figures which may turn out to be less than encouraging. The March gilt price opened at 109-03 down from 109-10 on Friday and touched a low of 107-26 before recovering to finish at 108-03.

Euro-dollar prices opened lower on the minutes of the December FOMC meeting but steadied in the morning before easing on renewed selling after the entry of U.S. centres. Federal chairman Paul Volcker's decision to adjust M2 monetary targets was much in line with market feelings. Prices were also inhibited by a relatively high Federal funds rate.

The March Euro-dollar price opened at 90.25 down from 90.31 and touched a low of 90.19 before finishing at 90.20.

Currency futures picked up in terms of volume with all four currencies trading over 100 lots. Sterling, the Swiss franc and D-mark all showed gains against the dollar while the Japanese yen was marginally easier.

LONDON

THREE-MONTH EURODOLLAR $1m points of 100%

	Close	High	Low	Prev
March	90.20	90.27	90.12	90.31
June	89.81	89.89	89.81	89.94
Sept	89.51	89.59	89.51	89.63
Dec	89.22	89.30	89.22	89.34
[illegible]				

JAPANESE YEN Y12.5m $ per Y100

	Close	High	Low	Prev
March	0.4301	0.4304	0.4300	0.4303
June	0.4338	—	—	0.4340
Sept	—	—	—	—

Volume 155 (38)
Previous day's open int. 234 (253)

CHICAGO

U.S. TREASURY BONDS (CBT) 8% $100,000 32nds of 100%

	Latest	High	Low	Prev
March	70-25	71-01	70-23	71-08
June	70-07	70-14	70-03	70-21
Sept	69-21	69-27	69-18	70-03
Dec	69-02	69-10	69-01	69-18
[illegible]				

GNMA (CBT) 8% $100,000 32nds of 100%

	Latest	High	Low	Prev
[illegible]				
March	—	—	—	—
June	65-31	65-31	65-31	66-08
Sept	65-14	65-14	65-14	65-24
Dec	64-30	64-30	64-30	65-10
March	—	—	—	—
June	—	—	—	—
Sept	—	—	—	—

COMPANY NOTICES

NACIONAL FINANCIERA FL.R. NOTES DUE 1986

For six months, January 27, 1984 to July 26, 1984 the notes will carry an interest rate of 10 5/16 % per annum

The interest due on July 27, 1984 against coupon number 10 will be $US 52,14 and has been computed on the actual number of days elapsed (182) divided by 360.

The principal paying agent
SOCIETE GENERALE ALSACIENNE DE BANQUE
LUXEMBOURG BRANCH

COMPAGNIE FINANCIERE ET INDUSTRIELLE DES AUTOROUTES - COFIROUTE

0% 1974-1989 LOAN OF UA 17.000.000

Bondholders of the above bonds are informed that Bonds for a nominal amount of UA 680,000 were drawn on January 23, 1984 in the presence of a Notary Public, for redemption on March 12, 1984.

The following UA 1,000 Bonds will be reimbursed at par, coupon No 11 attached, as from March 12, 1984: 14998 to 15000 incl., 15038 to 15376 incl., 16087 to 16380 incl., 16554 to 16583 incl.

Amount outstanding: UA 11.002.000.

Outstanding drawn Bonds: 6973 to 6976 incl., 15914 to 15623 incl., 15630 to 15632 incl., 15943 to 15950 incl., 15953, 15968 to 15960 incl., 15976 to 15980 incl., 15990 to 15004 incl.

Trustee
FINIMTRUST S.A.

Luxembourg,
February 6, 1984.

BANQUE NATIONALE DE PARIS

Joint-Stock Company with a capital of FRF 1.632.880.000
Registered office:
16, Boulevard des Italiens—PARIS (9ème)
Trade Register: PARIS 6 662 042 842

FLOATING RATE BONDS 1981-1996 OF USD 10.000

NOTICE IS HEREBY GIVEN to the holders of floating rate notes due June 1981-1996 of USD 10.000 each that they have the option to present their notes to the redemption fixed on 13 June 1984. The notes should be deposited not earlier than three months and not later than one month prior to the above date and shall be redeemed at 98% of the principal amount thereof at the following offices:
— BANQUE NATIONALE DE PARIS—NEW YORK
— BANQUE NATIONALE DE PARIS—PARIS
— BANQUE NATIONALE DE PARIS S.A.—LUXEMBOURG
— BANQUE NATIONALE DE PARIS LTD—LONDON
— KUWAIT INVESTMENT COMPANY (S.A.K.)—KUWAIT

BARCLAYS BANK PLC

NOTICE IS HEREBY GIVEN that the REGISTER OF HOLDERS of Ordinary Stock of the Company will be closed from 29th March 1984 to 25th April 1984, both dates inclusive.

J. M. O. ATTERBURY
Secretary

54 Lombard Street
London EC3
7th February 1984.

CIMENTS LAFARGE (LAFARGE COPPEE)

8¼% 1971-1986 US$20,000,000 LOAN

On January 23, 1984, Bonds for the amount of US$1,300,000 have been drawn for redemption in the presence of a Notary Public. The Bonds will be reimbursed coupon No. 14 and following attached on and after March 25, 1984.

The drawn Bonds are those, NOT YET PREVIOUSLY REDEEMED, included in the range beginning: at 468 up to 8103 incl.

Amount unamortised: US$6.500.000.
Outstanding drawn Bonds: none.

The Trustee
FINIMTRUST S.A.

Luxembourg,
February 6, 1984.

BANQUE NATIONALE DE PARIS

US$400,000,000 Floating Rate Notes 1984 due 1995

The rate of interest applicable to the interest period from February 6th 1984 to August 6th 1984 as determined by the reference agent is 10⅛ per cent per annum.

PLANT & MACHINERY

WANTED

RECENT MACHINE TOOLS & EQUIPMENT

We are a substantial group of engineering companies planning significant investment in 1984/5 in machine tools and metal working equipment.

If you are a company considering the disposal of modern equipment which is in good condition and not more than, say, three years old we would welcome the opportunity to discuss the matter with you and identify suitable prospects. Any information will be treated in the strictest confidence between us. Should you wish to make an initial indication please reply to the Box No. below either directly or if you prefer, through your professional advisors.

Our particular interest is for machinery suitable for FMS systems together with CNC lathes, vertical machining centres, CNC inspection equipment, CNC metalworking machines and possibly foundry sandmill and moulding plant.

Dealers who wish to advise of their services in respect of the equipment mentioned should forward details to Box F4342 Financial Times, 10 Cannon Street, London EC4P 4BY

FOR SALE BY TENDER

A very large quantity of Rolls-Royce Olympus engine spares, all in original packing including:
Blades, Shafts, Discs, etc.

For further details and tender forms contact Box F4347, Financial Times 10 Cannon Street, London, EC4P 4BY

ROLLING MILLS, SLITTING LINES, WIRE AND ROD PLANT. Tel: 0902 42541. Telex: 336414. Wednesbury Machines.

PERSONAL

HODGKINS DISEASE RESEARCH. Anyone interested in the increasingly successful fight against Hodgkins Disease is invited to send a donation to The Louise Buchanan Memorial Fund. Enquiries or money to Mrs Parker, Hon. Sec., 22, Arterberry Road, London S.W.20 8AH. a/c's available. Reg. charity.

WORLD VALUE OF THE POUND

The table below gives the latest available rate of exchange for the pound against various currencies on February 6 1984. In some cases rate is nominal. Market rates are the average of buying and selling rates except where they are shown to be otherwise. In some cases market rates have been calculated from those of foreign currencies to which they are tied.

Abbreviations: (A) approximate rate, no direct quotation available; (F) free rate; (P) based on U.S. dollar parities and going sterling-dollar rates; (T) tourist rate; (Bas) basic rate; (bg) buying rate; (bk) bankers' rates; (cm) commercial rate; (ch) convertible rate; (fn) financial rate; (exC) exchange certificate rate; (nc) non-commercial rate; (nom) nominal; (o) official rate; (sg) selling rate.

COUNTRY	CURRENCY	VALUE OF £ STERLING
Afghanistan	Afghani	99.00
Albania	Lek	10.21
Algeria	Dinar	(A) 7.05
Andorra	French Franc	11,985
	Spanish Peseta	221.70
Angola	Kwanza	(CM) 40.4115
Antigua	E. Caribbean $	5.85
Argentina	New Peso	37.98
[illegible]		
Greenland	Danish Kroner	14.1070
Grenada	E. Caribbean $	5.85
Guadaloupe	Local Franc	11,986
Guam	U.S. $	1.4255
Guatemala	Quetzal	1.4255
Guinea	Syli	33.90
Guinea-Bissau	Peso	180.90
Guyana	Guyanese $	5.3519
[illegible]		
Peru	Sol	exc(A)3,385.5
Philippines	Philippine Peso	19.70
Pitcairn Islands	£ Sterling	—
	New Zealand £	2.1795
Poland	Zloty	138.10
Portugal	Portugu'se Escudo	194.00
Puerto Rico	U.S. $	1.4256
[illegible]		

[illegible]

INTERNATIONAL CAPITAL MARKETS

UK bank chief tells Third World to seek foreign investment

BY PETER MONTAGNON, EUROMARKETS CORRESPONDENT

DEVELOPING countries should make more vigorous efforts to attract direct foreign investment as a means of alleviating their burden of commercial bank debt, Mr Robin Leigh-Pemberton, Governor of the Bank of England, said last night.

The day-to-day management of international debt problems had become less difficult, be told a group of foreign bankers. This left scope for examination of longer term proposals for channeling funds to the developing world.

"Direct foreign investment is perhaps the most important of such flows, even though its contribution to the financing of the deficits of the developing countries over the past decade has been only a quarter that of bank lending," he said.

Mr Leigh-Pemberton

Developing countries bad often worried that the promotion of inward investment would lead to a loss of domestic control over national resources. But the debt crisis had sbown that excessive bank borrowing had also forced the debtors to submit to austerity programmes agreed with the International Monetary Fund to restore their creditworthiness.

Foreign investment could also bring an influx of new technical and managerial skills. Although it would be unrealistic to expect it to expand rapidly, it could make a growing contribution to financing flows over the longer term, said Mr Leigh-Pembertoo.

He said it was clear that developing countries would continue to need substantial bank loans. Despite a cautious welcome to the lower interest margins charged on some recent rescheduling packages, Mr Leigh-Pemberton said he was opposed to a more substantial interest relief. This would create many technical and supervisory problems and "might represent a move away from normality rather than a return to it."

"It might also be worth considering the merits of restructuring two or three years' debts at the same time, particularly where those debts fall due in a period covered by an IMF programme," be added. This would facilitate forward planning and could also be a recognition of adjustment efforts taken by a borrower.

Barclays Bank to raise $250m with FRN holding record maturity

BY MARY ANN SIEGHART IN LONDON

BARCLAYS BANK is raising $250m through a floating rate note which bas the longest maturity ever seen in that sector of the Eurobonds market.

The bond bas a 20-year final maturity with no put options for investors, although a sinking fund in the last four years brings the average life down to 18 years. It pays ⅛ point over the mean of the six-month London interbank bid and offered rates at par, and is led by Barclays Merchant Bank, Lehman Brothers Kuhn Loeb and S. G. Warburg.

With front-end fees of 1.20 per cent, the all-in compounded cost to the borrower comes out at 0.21 per cent over Libor for the 18-year average life. Reflecting the bank's AAA credit rating, the bond was well received. It traded at a 0.65 per cent discount, giving a yield of 0.14 per cent over Libor.

Goldman Sachs has followed Salomon Brothers' example in offering Yankee bonds stripped of their coupons to European investors. Goldman has bought about $59m of a World Bank, 12⅜ per cent issue due in 2002 and is offering tranches which mature semi-annually from April of this year to October 2002.

The final tranche is for $82.5m principal amount and costs 14¼, compared with the redemption price of 100. This gives an effective yield to maturity of 11 per cent. Each of the other tranches is for $3.642m. Unlike Salomon's deal, Goldman is recruiting co-managers to sell the final tranche.

Amro International and Citicorp are leading a $75m bond for Nederlandse Gasunie, the Dutch gas utility. The seven-year issue has an 11⅜ per cent coupon at par, and it is understood that the fixed-rate dollars will be swapped for floating rate guilders.

The bond yields nearly 50 basis points less than the two outstanding Gasunie issues, which have slightly shorter maturities. As e result, it was not popular with investors, trading at a discount of at least 2 per cent, well outside its 1¼ point selling concession.

Sankyo Seiki, the Japanese high-technology company, and Sumitomo Heavy Industries, are both taking advantage of the enthusiastic reception accorded by the Eurodollar hondmarket to equity-linked offerings from Japanese borrowers.

Sankyo Seiki's $40m convertible has a seven-year life and an indicated coupon of 3½ per cent. Nikko Securities is leading the deal, which soared straight up to a price of 110.

Sumitomo Heavy Industries is raising $50m through a five-year bond paying around 6¾ per cent. Each $5,000 bond will carry one warrant to buy $5,000 worth of shares. Daiwa Europe is leading the deal with Sumitomo Finance International, and S. G. Warburg.

Seasoned dollar bonds had a lacklustre day. Trading was light and prices fell by about ¼ point.

Two Swiss franc convertible private placements were given record low coupons yesterday. The SwFr 100m, five-year issues from Daiwa House and Sumitomo Electric Industries were both given 1¾ per cent coupons by lead managers UBS and Credit Suisse.

BHF Bank bond average		
Feb 6		Previous
98.758		98.813
High	1983-84	Low
102.017		97.699

Citibank continues to press Philippines

By Peter Montagnon and Margaret Hughes in London

CITIBANK is to continue pressure on the Philippines to allow it to repay deposits at its Manila branch blocked by exchange controls introduced by the Marcos Government last October, according to Mr Hans Angermueller, the Citibank vice-chairman.

Despite pressure from other banks which made the deposits, there was no question of Citibank repaying the money from its New York head office. It was a "long-standing policy of the bank" to abide by local regulations, and obligations entered into in one country could not be met in another, Mr Angermueller said yesterday.

Following talks last week in Manila, the Philippines has authorised Citibank to repay about $100m deposited after the exchange controls took effect. A further $550m to deposits remain frozen effectively.

Mr Angermueller said that Citibank was "the victim of a local edict" in that its foreign currency liabilities bad apparently been inadvertantly included in the exchange controls. "We're going to keep trying to persuade the Philippines that a country shouldn't put major banks in the position we've been put in."

"I think the Philippines will lift the freeze in a relatively short period of time," he said.

Mr Angermueller said the amounts involved were relatively small compared with the Philippines' foreign debt. A large part of the deposits were two and three-year term deposits which mature next year and in 1986.

Citibanks' decision to withhold repayment has, however, provoked controversy in the banking community. Depositors bad previously regarded a deposit with its Manila branch as Citibank rather than Filipino risk. Now that the freeze suggests otherwise, many banks are reviewing their deposit policy with branches for foreign banks in countries potentially subject to foreign exchange crises.

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. The following are closing prices for February 6.

U.S. DOLLAR STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Australia Comm 11¼ 90	100	100½	101	0	+0⅛	11.86
Australia Comm 11½ 95	300	97⅜	97⅞	-0⅛	0	11.86
Australia Comm 11⅝ 88	100	97⅝	98⅛	0	+0¼	11.82
Bank of Tokyo 11⅞ 90	100	98⅝	99⅛	-0¼	0	12.11
Bristol Fin 11⅞ 90	125	99⅞	100⅜	-0⅛	+0⅛	11.82
Canada 10⅞ 88	500	98⅝	99⅛	+0⅛	+0¼	11.10
C.C.C.E 12⅜ 95	75	100½	101	-0⅛	+0¼	12.47
Citicorp O/S 10⅞ 00	100	81¾	82¼	+0⅛	+0⅛	12.25
Citicorp O/S 11¾ 90	100	98¼	98¾	-0⅛	0	12.08
Den Norsk Cred 11¼ 93	50	92¾	93¼	0	+0¼	12.54
O.B.C. 11¾ 91 WW	50	96¼	96¾	-	-	12.53
O.B.C. 11¾ 91 XW	50	95½	96	-	-	12.70
Denmark Kingdom 12¼ 93	100	98⅞	99⅜	+0⅛	+0⅜	12.30
E.C.S.C. 11⅞ 90	75	99½	100	0	0	11.89
E.D.F. 11½ 93	100	94	94½	+0⅛	+0⅜	12.17
E.E.C. 11 07	350	98½	99	-0⅛	-0⅛	11.41
E.E.C. 12 93	50	100⅛	100⅝	+0½	+0¼	11.92
E.I.B. 10¾ 93	200	92½	93	-0⅛	0	12.07
E.I.B. 11½ 90	200	97¼	97¾	-0⅛	+0⅛	12.04
Exportfinans 11½ 90	100	97¼	97¾	0	+0⅛	12.03
Electrolux 10½ 90	50	92⅞	93⅜	0	+0½	12.09
GMAC O/S Fin 11⅛ 90	100	99¾	100¼	+0⅛	+0¼	11.34
IC Indust Fin 11⅞ 90	75	95⅞	96⅜	-0⅛	+0¼	12.37
Indust Bk Japan 11⅞ 91	100	99⅝	100⅛	0	+0⅜	11.86
ITT Finance 11½ 89 WW	125	99¾	100¼	0	+0⅛	11.48
Japan Air Lines 10⅞ 88	42	93	93½	0	+0⅜	11.00
Japan Air Lines 11 93	75	95⅞	96⅜	-0⅛	+0⅛	11.77
J.C. Penney 11⅞ 90	100	100½	101	+0⅛	+0¼	11.00
J. P. Morgan 11⅜ 90 WW	150	99	99½	0	0	11.51
Levi Strauss Int 11 00	75	97⅛	97⅝	-0⅛	+0⅛	11.57
L.T.C.B. 10¾ 90	100	93⅝	94½	0	+0⅛	12.10
L.T.C.B. 12½ 90	85	102½	103	0	+0½	11.84
Merrill Lynch 10⅝ 90	200	95⅛	95⅝	0	0	11.69
Mitsubishi Fin 11⅜ 90	100	96½	97	0	+0½	12.10
Nippon Credit 11 90	100	94⅝	95⅛	+0⅛	+0⅛	12.10
Nippon Credit 11⅞ 90	100	98½	99	0	+0⅜	12.13
Nippon Tele 11⅜ 90	100	99¾	100¼	-	-	11.37
Ontario Hydro 10¼ 90	250	93⅞	94⅜	0	0	11.62
Ontario Hydro 11¾ 90	200	100½	101	0	0	11.56
Pacific Gas & Elec 12 91	75	101½	102	-0⅛	-0⅛	11.62
P.K. Banken 12 00 WW	75	97⅝	98⅛	0	+0⅜	12.45
Prudential 10⅛ 93 WW	150	95⅝	96⅛	-0⅛	+0⅛	10.79
Prudential 10⅛ 93 XW	150	90½	91	+0¼	+0⅜	11.75
Quebec Hydro 11½ 92	100†	98¼	98¾	0	+0⅛	11.76
Quebec Province 12¼ 94	150	98⅝	98⅞	-	-	12.58
Royal Bk of Can. 11½ 89	100	98⅛	98⅝	-	-	11.94
Rural & Ind. Bk 12 91	50	98	98½	-	-	12.38
Sears O/S Fin 11½ 88	125	101⅛	102	+0⅛	+0¼	10.99
Sears O/S Fin 11⅛ 01	150	95⅞	96½	-0⅛	0	11.87
Sears O/S Fin 11⅝ 03	150	98¾	99¼	+0⅛	+0⅛	11.78
S.E.K. 11½ 88	100	97⅜	98⅜	-	-	12.02
Sumitomo Fin 10⅞ 90	100	94	94½	-0⅛	+0⅜	12.20
Texaco Capital 10½ 93	200	94⅝	95⅛	0	+0⅛	11.36
Total Asia Ltd 12¼ 91	100	100⅛	100⅝	+0⅛	+0⅜	12.14
U.B.S. 10 88	100	98½	99	-0⅛	+0⅛	10.35
World Bank 11⅛ 88	100	99¼	99¾	0	0	11.35
World Bank 11⅛ 90	200	97	97½	0	+0⅜	11.84
World Bank 11½ 90	150	98⅝	98⅞	0	+0⅛	11.70
World Bank 12 93	200	100¼	100¾	-0⅛	-0⅛	11.88

Av. price changes: on day 0, on week +⅛

DEUTSCHE MARK STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Amca Int'l 8⅛ 91	100	98⅝	99⅛	+0⅛	+0½	8.44
A.B.A.D. 8½ 91	150	99½	99¾	0	+0¾	8.62
Arab Banking Corp 8 88	100	97⅝	98⅜	+0½	+1⅜	8.52
Asian Dev Bk 8½ 93	200	100½	101	0	+0½	8.37
Austria, Rep 7⅝ 88	100	100½	101¼	+0⅛	+0⅛	7.41
Avon Int Fin 7½ 93	100	100⅜	101⅛	-0⅛	+0⅜	7.36
Barclays O/S 8⅛ 98	250	101⅛	101⅝	+0⅜	+1½	7.93
Beatrice Foods 7¾ 93	130	102½	103	-0⅛	0	7.33
E.C.S.C. 8 90	100	100⅞	101⅜	0	+0¼	7.76
E.I.B. 8 93	200	99⅜	99⅞	0	+0½	8.05
Eurofima 7½ 90	100	100⅛	101⅝	+0⅛	0	7.24
Europarat 8¼ 93	150	100	100⅜	0	+0¼	8.10
Finland Rep 8 90	150	100⅜	100⅞	0	+0¼	7.87
I.A.D.B. 8¼ 93	150	99⅛	99⅝	0	+1½	8.32
Int Standard Ele 7⅜ 90	100	101⅛	101⅞	+0⅛	+0⅜	7.09
Int Standard Ele 7¾ 93	100	101⅜	101⅞	-0⅛	0	7.40
Ireland 8⅝ 91	150	100⅝	101½	-0⅛	+0¼	8.46
Japan Dev Bk 7½ 90	100	101½	101⅝	+0¼	+0½	7.21
L.T.C.B. 8 90	100	101	101½	-0⅛	0	7.73
Megal Fin 8⅛ 94	150	97½	98	-0⅛	+0⅜	8.59
Sth Africa Rep 8½ 91	200	101¼	101⅝	0	+1½	8.25
S.O.C.F. 8⅛ 93	100	99⅞	100⅜	+0¼	-0½	8.10
VEBA Int Fin 4 93 WW	300	131⅞	132⅝	-3⅛	+1⅛	0.82
VEBA Int Fin 4 93 XW	300	77¾	78¼	-0⅛	-0⅛	7.10
World Bank 7⅞ 89	300	100½	101	+0⅛	+0⅜	7.69
World Bank 8 93	300	99¼	99¾	+0⅛	+0½	8.07

Av. price changes: on day -⅛, on week +½

SWISS FRANC STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Bank of Tokyo 6 91	100†	102¼	102¾	-0⅛	-0¼	5.58
Denmark 6⅞ 91	100†	102¼	102¾	-0⅛	-0⅜	5.94
E.E.C. 6 93	100†	101	101½	-0⅛	+0½	5.82
Elec Power Dev 5⅝ 93	100†	100⅝	101⅛	-0⅛	+0⅜	5.49
Europarat 6⅛ 93	100†	100½	101	-0¼	0	6.02
Ind Fund Fin 6⅛ 91	40†	101	101½	-0⅛	-0⅛	6.03
Int-Am Dev Bk 6 93	100†	100¼	100¾	+0⅛	+0⅛	5.93
Ireland 6½ 93	60†	103	103½	+0½	+1½	6.05
Japan Dev Bk 5⅝ 93	100†	102	102½	-0½	-0⅛	5.56
Jap Highway Pub 5⅝ 91	100†	101	101½	0	+0½	5.42
Kansai Ele Power 6 91	100†	102	102½	0	0	5.61
Manitoba Prov 5½ 93	100†	102	102½	0	-0⅛	5.20
Mont Blanc Tunl 6⅛ 93	35†	104	104½	+0½	+0⅜	5.79
Mount Isa Finance 6 93	100†	103¼	103¾	+0½	+0⅜	5.51
Mtg Bk Denmark 6⅛ 91	80†	102½	103	+0¾	+0⅜	5.79
New Brunswick 5¾ 93	100†	102½	103	+0⅛	+0⅛	5.37
Nippon Tel & Tel 5¾ 93	100†	102¾	103¼	0	+0¼	5.35
Nisshin Steel 6⅛ 91	100†	101½	101¾	0	-0⅜	5.99
Ostarr Post 6⅛ 91	100†	103	103½	-1⅛	0	5.57
Quebec Province 5⅝ 93	100†	101	101½	+0⅛	+0⅜	5.46
Shikoku Elec Power 6 91	100†	102¼	102¾	+0⅛	0	5.58
Soc Lux Cent 5⅜ 93	100†	99¾	100¼	0	+0⅛	0.75
Sumitomo Heavy Ind 6 91	100†	101	101½	0	-0⅛	5.79
Tokyo Elec Power 5⅛ 91	100†	103⅛	103⅝	+0⅛	+0⅛	0.38
Trizec Corp 6⅛ 93	100†	101¼	101¾	+0⅛	-0⅜	0.91

Av. price changes: on day 0, on week +½

YEN STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Australia 8⅛ 92	15	107	107½	0	+0⅛	7.43

	Issued	Bid	Offer	Change on day	Change on week	Yield
E.I.B. 8⅛ 92	15	103⅝	104⅛	-0⅛	0	7.60
Int-Am Dev Bk 7⅞ 93	15	102½	103¼	+0⅛	+0⅛	7.44
New Zealand 7⅞ 89	15	104	104½	0	0	6.58
World Bank 7⅝ 93	20	102¾	103¼	+0⅛	+0¼	7.18

Av. price changes: on day 0, on week +⅛

OTHER STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
British Col Hyd 12 93 CS	125	97⅜	98⅜	0	+0⅜	12.32
Brit Col Tel 12⅛ 99 CS	70	99¼	99¾	0	+0¼	12.32
E.I.B. 12⅛ 91 CS	60†	98⅛	98⅝	+0⅛	+0½	12.44
Loblaw 12½ 90 CS	35†	98¼	98¾	0	+0¼	12.82
Montreal City of 12 90 CS	50†	98⅜	98⅞	+0⅛	+0⅛	12.29
Royal Trstco 12⅝ 88 CS	50†	101⅛	101⅝	0	+0⅛	12.19
World Bank 12¼ 90 CS	75†	100⅞	101⅜	-0⅛	0	11.98
CIE Bancaire 11 90 ECU	37	98¼	100¼	+0⅜	+0½	11.02
SDR France 11⅝ 85 ECU	20	101⅜	102⅜	+1	+1⅜	11.32
Algemene Bank 8¾ 88 Fl	150	102½	103	0	+0⅛	7.98
Amro Bank 8¾ 90 Fl	100	102½	103	0	-0⅛	8.01
Bank Mees & Hope 9 88 Fl	75	102½	103	0	-0¼	8.24
Ned Middenstandsbk 9 88 Fl	100	102½	103	0	+0¼	8.20
Rabobank 9 90 Fl	100	102¾	103½	+0⅛	+0½	8.22
World Bank 9 88 Fl	100	102⅞	103⅜	0	+0⅛	8.11
O.K.B. 14 86 FF	400	101½	102½	+0⅛	+0½	12.80
Solvay & Cie 14¾ 86 FF	200	102¾	103¾	+0⅛	+0⅜	12.84
B.F.C.E. 11½ 88 £	50	100	100⅜	+0⅛	0	11.35
British Oxyg 11¾ 91 £	50	100⅝	101½	0	+0⅛	11.49
CEPME 11⅛ 95 £	35	103½	104½	-0⅜	-1⅛	10.81
CIBA-Geigy Int 8¾ 93 £	25	102⅛	103½	-0⅛	+0⅜	8.34
Commerzbank 11½ 90 £	25	99¾	99½	+0⅛	+0¼	11.88
E.E.C. 11⅞ 93 £	50	101	101½	-0¼	0	11.83
Fin For Ind 10½ 90 £	20	95	95½	-0⅛	-0½	11.88
Finland Rep 11⅞ 88 £	50	101⅜	102½	0	+0⅛	11.22
Gen Elec Co 12½ 88 £	50†	100⅝	101⅝	0	-0⅜	12.18
I.I.I. 10¾ 93 £	25	96½	96	-0⅛	0	11.48
I.I.I. 11½ 91 WW £	50†	99¾	100⅜	0	0	11.43
Int Stand Ele 11¼ 89 £	50	99	99½	-0⅛	-0⅜	11.50
Norsk Hydro 12 90 £	30	102¾	103½	-0⅛	-0⅛	11.25
Sweden 11⅛ 93 £	50	98⅛	99	+0⅛	+0½	11.47
Swed Exp Cred 11⅛ 88 £	30	99⅜	100¼	+0⅛	+0⅛	11.28
World Bank 11⅞ 88 £	100	99⅝	100⅜	-0⅛	-0⅛	11.16
Eurofima 10 91 LuxFr	600	98⅞	99¾	-0⅛	-0⅛	10.13
Europarat 10¾ 93 LuxFr	600	100⅝	101⅛	+0⅜	+0⅜	10.60

FLOATING RATE NOTES	Spread	Bid	Offer	C.dte	C.cpn	C.yld
Allied Irish Bk 5¼ 85	0⅛	98⅞	98⅞	8/6	10.31	10.44
Banco di Roma 5¼ 90	0⅛	98⅞	100⅛	7/8	10½	10.50
Belgium 5 2004	0⅛	99½	98¾	8/7	10.31	10.35
Bk of New Yk 5⅛ 90 §	0⅛	99¾	100	12/4	10.06	10.08
C.C.F. 0⅛ 95	0⅛	100	100¼	7/4	9.94	9.93
Credit Foncier 5⅛ 93	0¼	100	100⅛	8/4	10	9.99
Credit Lyonnais 5⅛ 96	0½	99⅝	99⅞	16/7	10.10	10.21
Denmark 5¼ 90	3/16	99¾	100	13/4	10	10.01
Die Erste Oes 5⅜ 92	0⅛	100⅛	100⅝	27/7	10¼	10.22
Dresdner Fin 5¼ 93 XW §	0⅛	100⅛	100⅜	19/4	9.94	9.91
EAB Fin 5 93 §	0⅛	99½	100⅛	28/6	10.00	10.05
E.E.C. 5 90	0⅛	100⅛	100⅝	5/7	10⅜	10.36
Ext Int 5⅛ 86†	0⅛	98⅝	98⅞	21/6	10.81	10.95
Fst Interstate 5⅛ 95 §	0⅛	99½	99¾	6/3	9.94	9.99
Fuji Int'l 5⅛ 00 §	0⅛	99¾	100	12/7	10¼	10.28
Genfinance 5 94	0⅛	96¾	100	10/7	10⅛	10.14
GZB 5⅛ 98	0⅛	99¾	100	29/6	10.10	10.20
Hispano 5¼ 95	0⅛	98½	99¾	20/4	10	10.14
Kansallis Osake 5¼ 02	0⅛	99⅝	100	1/8	10⅛	10.14
Nat Bk Canada 5⅛ 91 § †	0⅛†	99	99¼	5/7	10.44	10.53
Quebec Hydro 5⅛ 94	0⅛	99¾	100	10/7	10⅛	10.14
Saitama Int 5¼ 93	0½	100	100¼	5/6	10.10	10.10
Soc Generale 5⅛ 90 XW	0¼	100	100⅛	9/5	10.31	10.30
Sweden 5¼ 2003 §	0⅛	99⅛	100⅛	17/5	10.10	10.19

Av. price changes: on day 0, on week 0

CONVERTIBLE BONDS	Conv. date	Conv. price	Bid	Offer	Chg. day	Prem
BBC Brown Boveri 4¼ 95	2/84†	190	101	101½	-0⅛	-7.47
Bridgestone Tire 5½ 96	3/82	470	128⅝	128⅞	-2⅞	-8.54
Canon 7 97	7/82	680.2	240⅛	241⅞	-3⅜	-1.46
Daiwa Sec Co 5½ 98	10/83†	481.0	104½	106	0	0.21
Fanuc 3¾ 98	1/84	8142	133½	134⅛	-3¼	6.53
Hitachi Cable 5⅛ 98	2/82	515	121	122½	-2⅜	-3.35
Honda Motor 5⅛ 98	6/83	884	123¾	124¾	-2	8.94
Honda Motor 5½ 97	3/83	759.6	142¼	143¾	-1⅜	-0.84
Konishiroku Photo 4 98	10/83	673	110⅛	111⅛	-2⅜	2.68
Kyowa Hakko 6¾ 97	2/83	782	118¼	119¾	-2¼	7.47
Minebea Co Ltd. 5½ 98	5/83	667	112	113¼	-0⅛	-0.78
Mitsubishi Electric 5⅛ 98	6/83	396	108⅛	109⅛	-1½	0.20
Mitsubishi Heavy 4¾ 98	1/84	253	101¾	102¾	+0¼	4.47
Murata 3½ 99	2/84	2939	121⅝	122⅝	-4	3.86
Nippon Oil Co 5½ 98	4/83	964	113	114	+1⅛	8.58
Nissan Motor 5⅜ 98	4/83	790	106½	107½	-1⅞	-1.66
Olympus Optical 6⅛ 97	12/82	1157	111	112½	-2	5.93
Orient Leasing 5⅛ 98	6/83	2690	112⅞	113⅞	-0⅛	-3.98
Secom 5 98	11/82	2820	173⅞	175⅛	-2⅞	-0.73
Yamaichi Sec Co 5 98	8/83	449.5	102¼	103¼	-0½	-0.26
Yamanouchi Pharm'cal 4 98	10/83	1808	102⅝	103⅝	-0½	28.04
Bridge Oil 4¾ 93 SF	3/84†	3.43	111	113	0	20.95
Nippon Airway 2¾ 94 SF	2/84†	354	102	104	0	-2.07
Toshiba 2¾ 94 SF	1/84†	391	113½	115½	0	5.38
Asics 5 92 DM	12/83	520	115⅞	116⅝	-0⅜	20.20
Sumi Realty 6⅛ 92 DM	2/83	366	133	134	-1½	-6.13

* No information available-previous day's price.

† Only one market maker supplied a price.

Straight Bonds: The yield to redemption of the mid-price; the amount issued is in millions of currency units except for Yen bonds where it is in billions. Change on week = Change over price a week earlier.

Floating Rate Notes: Denominated in dollars unless otherwise indicated. Coupon shown is minimum. C. date = Date next coupon becomes effective. Spread = Margin above six-month offered rate (‡† three month; § above mean rate) for U.S. dollars. C.cpn. = current coupon. Cy. yld = current yield.

Convertible bonds: Denominated in dollars unless otherwise indicated. Chg. day = Change on day. Cnv. date = First date for conversion into shares. Cnv. price = Nominal amount of bond per share expressed in currency of share at conversion rate fixed at issue. Prem = Percentage premium of the current effective price of acquiring shares via the bond over the most recent price of the shares.

INTERNATIONAL APPOINTMENTS

President of Atari companies

THE FOLLOWING appointments bave been made within Warner Communication's subsidiary, ATARI INC, and its new operating division, ATARI PRODUCTS COMPANY. **Mr John Farrand** has been appointed president of Atari Inc and president and chief operating officer of Atari Products Company. Other appointments within Atari Products Company include: **Mr Donald Kingsborough**, executive vice-president of sales; **Mr David Ruckert**, executive vice-president of marketing; **Mr Paul Malloy**, executive vice-president of operations/product development; **Mr Marcian E. Hoff**, executive vice-president of research and product development; and **Mr Steve Calfee**, vice-president of entertainment software. **Mr Charles Paul** has been named president of Atari's coin-operated games unit.

● **Mr Thomas J. Bienemann**, president of the Hirsch Weis division of WARNACO INC, bas been named chief executive officer. Mr Bienemann has been president and chief operating officer of Hirsch Weis since 1979.

● **Mr Keith E. Bailey** bas been elected president and chief operating officer of NORTHWEST CENTRAL PIPELINE CORP a subsidiary of the Williams Companies. He remains chairman of the board of Williams Pipe Line Co, also a Williams company. Mr Bailey succeeds **Mr E. S. Hanson**, who has left Northwest Central to pursue other interests.

● **Mr Edmund N. Pascoe** has joined the home office of HARBOR INSURANCE and PACIFIC INSURANCE CO as senior vice-president. He has responsibility for the development and expansion of underwriting offices in Chicago, Dallas, Los Angeles, New York and San Francisco. Mr Pascoe was formerly second vice-president in charge of direct business speciality markets for General Reinsurance Corp, Greenwich, Connecticut.

MR ROBERT M HERNANDEZ has been elected vice-president and treasurer of United States Steel. He joined the corporation in 1968 as a project associate in the business research group in Pittsburgh, and was transferred two years later to New York as manager short-term investments for the treasury department.

He was appointed assistant comptroller – corporate staff in 1980, and was named assistant corporate comptroller in 1983.

● THE NEW YORK MERCANTILE EXCHANGE board of governors has appointed **Ms Cathleen Douglas** a public member of the NYMEX board. Ms Douglas, an attorney with the Washington firm of Lewa, Hawes, Symington and Martin, becomes the first woman to join the board of a New York futures exchange. She serves on the boards of Best Products Company, Inc, National Public Radio, the Nature Conservancy and is a member of the editorial advisory board of the Banking Law Journal.

● **Mr Melvin B. Bradshaw**, chairman and chief executive officer of Liberty Mutual Insurance Co, has been elected chairman of the board of INSURANCE SERVICES OFFICE INC. He succeeds **Mr Robert J. Vairo**, chairman and chief executive officer of C and F Underwriters Group, a Crum and Forster organisation, and the North River Insurance Co. **Mr Robert J. Clark**, senior vice-president commercial insurance division, Aetna Life and Casualty, has become vice-chairman.

● SQUARE D COMPANY has appointed **Mr Charles E Quentel** as vice-president engineering. He will have responsibility for the co-ordination of product research, development, design and engineering and will direct all patent and quality assurance activity. He also has direct responsibility for corporate-sponsored research programmes and strategic product planning. Mr Quentel replaces **Mr Paul R. Goudy**, who retired last year.

● UNITED TECHNOLOGIES CORP has made five senior appointments at two operating units. **Mr Joe R. Phillips** moves up from executive vice-president of Pratt and Whitney's government products division in West Palm Beach, Florida. **Mr James C. O'Connor** becomes executive vice-president, F100 programmes. **Mr Morris A. Zipkin** becomes senior vice-president, programmes for the government products division. **Mr Anthony D. Autorino** advances from president to chairman and chief executive officer of United Technologies building systems company in Farmington, Connecticut. **Mr Frank W. McAbee Jr**, president of Pratt and Whitoey's government products division since 1979, has been named president and chief operating officer of United Technologies building systems company.

● EURO-CLEAR operations centre in Brussels has promoted **M René Vanguestaine** to vice-president and **Mr Peter J. Crouch**, **M Martine Dinne** and **Mr Jacques-Philippe Marson** to assistant vice-president.